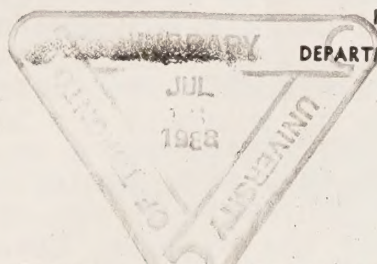


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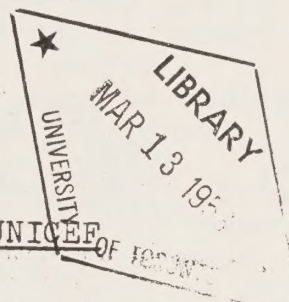
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(only one issue for 1955)



INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA



No. 55/46

SOCIAL AND HUMANITARIAN QUESTIONS - UNICEF

Statement made at the tenth session of the United Nations General Assembly by Mr. J. Houck, Canadian representative in the Third Committee.

During this discussion many favourable comments have been made on the useful and important work done by the Economic and Social Council and its Commissions during the past twelve months in the social and human rights fields. My delegation believes that these tributes are well deserved and we wish therefore to add our own word of approval to those which have already been expressed. As you know, Canada was among those countries which were recently elected to membership in the Council for a three year term starting next year. We look forward with pleasure to resuming our earlier responsibilities as a member of the Council, and we hope that in due course we shall be able to make a contribution to the solution of some, at least, of the problems with which the Council continues to be faced.

With reference to Chapters V and VI of the Council's most recent report, I should like first of all to say a few words about the section dealing with the world social situation. A review of the preliminary report of 1952 on this subject is still rewarding, particularly in conjunction with the more recent International Survey of Programmes of Social Development. These programmes, by showing what a community can do through its own efforts, encourage us to believe that the right course is being followed. This experience is a reminder to us all that it is never possible to bring about social development by governmental action alone. The structure, if it is to last, must be built on a firm basis in the community, with direct and voluntary participation of the people themselves.

It is a further source of satisfaction to us to know that there has been a growing recognition of the principle that social development and economic development are related - that are, as it were, two sides of the same coin. In our view essential that consideration should continue to be given to the social impact of programmes of economic development. We do not to build slums and...



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It is a further source of satisfaction to us to know that there has been a growing recognition of the principle that development and economic development are related - that are, as it were, two sides of the same coin. In our view essential that consideration should continue to be given to the impact of programmes of economic development. If we do not build a strong and reap the consequent harvest of social and spiritual degradation, we must look at the problem as a whole - in its economic, social, educational and cultural aspects. Above all, when we are discussing social programmes in this Committee and in other United Nations bodies, we must constantly bear in mind that they are only one part of the general pattern of human development.

There is a tendency which we Canadians share perhaps with other people - to assume that our way of doing things is the way of others. It is not an unnatural assumption and one which is, perhaps, not restricted to North American

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countries. It is with this thought in mind that I wish to emphasize the need to adapt social welfare programmes to the cultural background of the places where they are to be carried out. From this viewpoint, the paramount importance of the training of welfare personnel is evident. Theories on social problems, however good, cannot be applied without the help of trained persons among the indigenous population. Top level personnel alone are not enough. There is an even greater need for less highly trained people from the community, such as auxiliary workers with two to three months training. If this need is not met, the programmes will be ineffective and the funds spent on them will be largely wasted. The training of local personnel has been a very useful part of the work of the United Nations and it is for this reason that we would not favour any further substantial reduction in the budget of the social welfare advisory services.

Considering for a moment the achievements of other Commissions of ECOSOC in the Social field, the Population Commission and the Commission on Narcotic Drugs should be specially mentioned. Canada is currently represented on both these Commissions, and we have always taken a keen interest in their work. We agree with the emphasis which the Council placed on the importance of taking into account demographic factors in Programmes of action in the economic and social fields, and we fully support the various recommendations on population questions contained in sections B and C of Resolution 571 adopted by the Council at its twenty-first session.

The Commission on Narcotic Drugs has also done excellent work on origin identification of opium, and has made a valuable contribution to the international campaign to control the illicit traffic in drugs. It is the hope of my Government that in the near future there will be widespread ratification of the opium protocol - especially by producer countries - and that further progress will be made in the study of the draft single convention on narcotic drugs.

In connection with the work of the Commission on the Status of Women, I should perhaps mention that our federal Department of Labour established last year a "Women's Bureau" with a view to giving fuller attention to the employment problems of women. If any of my fellow delegates should be interested, I have here a few copies of a brochure concerning the functions of this Bureau. At the present time the Bureau is carrying out a survey of the problems of married women in employment.

Finally, a word about the work of UNICEF. In any review of the world social situation, the needs of the less prosperous parts

The report of ECOSOC indicates clearly the expansion of the geographical area receiving aid and the number of children benefitting from it. But in our view one of the most encouraging aspects of UNICEF's work is the number of projects which are being turned over to the Governments of recipient countries. We had always hoped that, after providing the initial stimulus to a project, UNICEF would be able to step aside and leave the government concerned to carry on unassisted. This is one of the main purposes of the whole undertaking and we are gratified by the number of UNICEF projects which are becoming an integral part of the programmes of the governments of recipient countries.

Another encouraging development in our opinion is the increase both in the number of contributing countries and in the size of their contributions to the Fund. With regard to the number of contributing countries, my Delegation has noted with regret that while voluntary contributions have been received this year from a great many non-self governing territories there are still a number of self-governing territories - all members of the United Nations - which have not yet found it possible to contribute to the Fund.

As regards the increase in the size of contributions from the regular contributors, we are fully conscious of the fact that the reduction in the rate contribution of the United States Government requires even greater efforts on the part of other governments if there is to be any hope of reaching the target of \$20 million per annum for the Fund. In this connection, my Delegation was particularly gratified to hear the delegate of Colombia say that her Government had decided to make a very substantial increase in its contribution to UNICEF next year. We wish to express our appreciation to the Colombian Government for this practical and generous demonstration of their faith in the work of UNICEF.

As one of the main supporters of the Fund since its inception, the Canadian Government favours continuation of UNICEF's activities at the highest possible level. To date the Government has contributed over \$9 million to the Fund, and contributions from private sources amount to approximately one and a half million dollars. Having considered recently UNICEF's current financial position and its future requirements, the Government has decided to increase its contribution for next year. In this connection I have been authorized to announce at this time that, subject to Parliament approving the necessary appropriation, the Canadian Government will contribute to UNICEF for 1956 the sum of 650,000 Canadian dollars - which is an increase of \$150,000 over its contribution for this year.



STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 56/1

THE MIDDLE EAST

Statement by the Secretary of State for External Affairs,
Mr. L. B. Pearson, in the House of Commons on January 24, 1956.

Export of Military Equipment to the Middle East

I propose this morning to discuss first the question of the export of military equipment to the Middle East and secondly--and this I hope will put the first question in perspective--the political situation in that part of the world, with particular reference to the relations between Israel and her Arab neighbours.

As to the first question, I wish to outline the principles which governed the policy of the Government in this matter and then give particulars regarding the application of those principles and that policy, both as to the procedures that are followed and the results in terms of shipments over the last two years.

Now, what are the principles, the rules governing the shipment of military equipment from this country? These principles are the result of careful consideration and are, I think, sound and reasonable. The decisions based on them are made only after studying the relevant factors in every case submitted to us. The system of controls and checks through which policies and decisions are carried out is as effective as that of any other free country.

The basis of our control system is the Export and Import Permits Act of 1954, which superseded the Export and Import Permits Act of 1947. Incidentally, both these acts were discussed in the House and the earlier one was referred to a committee, and in all the discussion of these two acts no reference was made at that time by the hon. members opposite

to the question of arms shipment. Under the act of 1954 it is illegal to export or attempt to export to any destination affected any item included in an export control list except under an export permit issued by or under the authority of the Minister of Trade and Commerce.

The exporter must present this permit at the time he clears his shipment through Canadian customs at the port. The Minister of Trade and Commerce has the power to amend, suspend or to cancel permits if changing circumstances should render this necessary after issuance of a permit and before a shipment is made. The act provides severe penalties for those convicted of offences. The powers for enforcing the controls imposing severe penalties, and revoking permits if circumstances so require are provided in that act. Shipments are, of course, checked by the customs authorities at the ports and action can be taken then as well as at the permit stage if required. Procedures are also laid down to prevent diversion and there is co-operation with many governments in the free world to ensure that so far as possible such procedures are effective.

There was published in the Canada Gazette on May 27, 1954, the export control list established in accordance with the provisions of the act. Group 8 within the list is headed, "Arms, Ammunition, Implements or Munitions of War; Military, Naval or Air Stores". The list of arms, aircraft, etc., specifically includes parts of these various items. So much for the legislative basis of our policy.

The following principles govern the policy of the Government in carrying out this act.

(1) In the case of certain allied and associated states, for example, NATO and most Commonwealth countries there are no restrictions on the export of military equipment except-and the exceptions are important-those of supply of domestic requirement and of security.

(2) No shipment of any kind to the Sino-Soviet bloc is permitted.

(3) Shipments of any significance are made to other areas only after consideration and approval at cabinet level, according to a procedure which I will later describe. Special attention is given-and special care shown-in respect of areas of tension or strife or what we call sensitive areas. A list of such areas, they are now 34 in number, is kept and, naturally, is modified from time to time as conditions change.

(4) Arms shipments are made only to the defence department or regular military establishment of the

country concerned; and the recipient government may be required to give appropriate assurance regarding re-export.

(5) Shipments are not permitted if, in our opinion, they exceed the legitimate defence requirements of the state in question or which would themselves constitute a threat to neighbouring countries.

(6) Shipments are not permitted to sensitive areas of arms of such a character that they might increase any temptation to commit an aggression or begin a preventive war.

It is not, however, our policy to put a complete embargo on arms shipments except to the Sino-Soviet bloc, or to other countries, if any, who are a threat to our own security or where the United Nations has declared an embargo.

An embargo on all shipments in other cases, if it became general international policy and practice in the free world, might frustrate the right of nations under the United Nations Charter to defend themselves; or it might drive them wholly into the arms of Russia and its satellites as the only source of supply. It might perpetuate inequalities between states in respect of their defensive capacities, thereby creating fear and insecurity; and encouraging aggression. One state might, for instance, have its own defence industries, and another-its neighbour-might be wholly dependent on imported defence equipment. An embargo could not possibly operate fairly in such cases, and might indeed encourage armed conflict over disputed territory. I can assure you that this is no hypothetical argument.

Let us see, for instance, how such an embargo-if it could have been agreed on and enforced internationally-would have operated in the Middle East in respect of Israel and its Arab neighbours. I gather from observations made in this House and outside that this is the policy that is advocated by at least certain members of opposition parties.

This area has been one of tension and unrest and indeed danger from the very day that the State of Israel was created. That creation-it should not be forgotten-was the result of a United Nations decision which Canada supported. If the embargo principle had been adopted, Israel would have been completely powerless to defend her very existence; unless she had agreed in desperation to throw herself into the arms of communist suppliers. If it had suited their purposes, and for a price-and it would have been a high price-the Moscow government which controlled these suppliers would have been quite happy to arrange such a deal.

An alternative, which could be in hon. members' minds, would have been to permit certain quantities and types of military equipment to go to Israel during this period of tension and to allow nothing whatsoever to go to any Arab state in any circumstances. That would, of course, have been considered as an unfriendly policy by those states with which Canada has normal diplomatic relations. Neither this policy nor that of the complete embargo for both sides has, so far as I know, been adopted by any country. Indeed a policy of control which has been adopted by the United Kingdom, the United States and France, the policy which has been accepted by the free world, is that which we ourselves are now following.

Another important principle which we have followed is that of consultation and exchange of information about orders and requests-except those of no significance in quantity or nature-with certain governments who have special responsibilities in this field. We do that so that one country may know what the others are doing and thereby ensure that so far as possible the principles that I have mentioned above are adhered to.

If, for instance, we are asked to supply some ammunition for 25-pounders for a particular country-and we have been asked for that, and it is still before Cabinet-we try to find out, before taking any action, not only whether such an order would be excessive having regard to the number of guns involved, and existing stocks, but whether orders for this ammunition have also been received by other governments. The responsibility for the decision, however, is of course ours.

Now, what is the procedure by which this policy is carried out?

Under the law, as I have said, the export permit must be given by the Minister of Trade and Commerce. Before doing so, if the destination is one of those 34 sensitive areas where consultation is required, he consults with both the Departments of National Defence and External Affairs and acts only after agreement with those two departments. If the application is a particularly significant one, either in quantity or because of the political circumstances surrounding it, and even though the three ministers may have agreed to the permit, the matter is referred to the whole Cabinet.

In the case of shipments to NATO or most Commonwealth countries, the Minister of Trade and Commerce may act after consultation only with the Department of National Defence, in order to make sure that security and supply factors are considered as well as our own defence requirements.

In all cases where government surplus supplies are involved, the matter must also go to the Treasury Board for approval. Even after there has been ministerial agreement on an export permit, that board, a committee of the Cabinet, may also ask the full Cabinet to reconsider a decision taken.

Now, having indicated the procedures laid down, I should like to show how they were applied to the case of the 15 Harvard trainers approved for export last July.

In the spring of 1955 a supplier of these aircraft received enquiries from qualified representatives of the Egyptian Government concerning 15 Harvard trainers. There were also received at the same time somewhat less formal enquiries about F-86 jet fighters. There was no problem regarding the jets. The reception by the Government to the idea was negative and the matter was dropped even though that order, and others for jets about which we have been approached from other quarters, would have been very attractive commercially and would have assisted in maintaining work and employment in our aircraft industry.

As for the Harvards, the matter was brought to the attention of the Department of Trade and Commerce by the company and referred by that department to the Department of National Defence and the Department of External Affairs for an opinion. The Department of National Defence studied the matter from the point of view of possible domestic requirements and of the military implications of supplying these aircraft to the particular government in question.

Information was also exchanged with certain friendly governments about the request. No objections were raised to the transaction from these or any other quarters. After all these steps had been taken, and as the matter in my judgment raised no new policy issue or important international consideration, and as the planes could not be made into effective combat aircraft, and as the request fell within the criteria I have mentioned already, I gave my approval. The Minister of Trade and Commerce (Mr. Howe) was so informed and an export permit was issued in due course, the first week in September.

Before proceeding further I should like to answer the question addressed by the Leader of the Opposition (Mr. Drew) to the Prime Minister (Mr. St. Laurent) in these terms:

Whether any field artillery weapons are being or have been dismantled and the parts sold separately by the War Assets Corporation under circumstances which would make it possible for those parts to be sold outside of Canada.

That was the question. I am informed by the corporation, on the basis of a check going back to January 1, 1952, that where any gun barrels or breech blocks have been disposed of they have been sold as scrap and in respect of each sale there is evidence available that they were mutilated prior to delivery as scrap. Such scrap also requires an export

Surplus field artillery or surplus artillery parts, as opposed to scrap, that is to mutilated parts, can be sold abroad but always subject to the export control procedures I have mentioned.

What are the results of this policy in respect to arms shipments to the Middle East? An impression may have been created that Canadian arms were flowing into that area in great quantities. That is not the case. The amounts involved are small and do not contravene the principles which I have outlined as governing our policy. The impression may have also been given that we were releasing modern and dangerous weapons whose capabilities could disrupt the military balance among the countries in that region and encourage all-out aggression or an arms race. That also is not the case.

There are certain figures I should like to give and I give these figures although similar figures are not given in respect to arms shipments by other countries. In 1954 export permits for military equipment to the value of \$735,574.60 were granted for Israel; for Egypt the figure was only \$296; for all other Arab states, none.

In 1955 the figure for Israel was \$1,332,110.59; for Egypt, \$770,825; for all other Arab states, \$70. The figures for the two years were \$2,067,685.19 for Israel, and \$771,121 for Egypt.

The Harvard trainers and spare parts for them were responsible for practically the whole of the Egyptian figure. The main items covered by the other figures are:

Harvard aircraft parts

75 mm. shells

Anti-tank equipment

Tracks and spare parts for world war II type tanks
(Shermans)

25-pounder guns and accessories

.303 calibre Browning machine guns

3.7" anti-aircraft guns, accessories, spare parts and ammunition (This was a large proportion of the total)

The anti-aircraft guns are of course defensive weapons, and the 25-pounder guns are trailer guns in this case. In respect to the tank tracks and spare parts, which constituted a rather large proportion of the total we were at our request given written and official assurances that they would not be re-exported and that they were all required for normal maintenance

and servicing purposes for the existing stock of tanks. I have available the exact descriptions by item, quantity, value and destination of all the items covered by the totals I have mentioned. I am reluctant to make these figures public as the government--there is only one in this case because in the case of Egypt the totals amounts involved, the information might be prejudicial to her security. I would, however, be happy to let any hon. members who may desire, see all these details in confidence.

These figures show what has been approved. If there could be shown a similar table for the dollar value of the requests for military equipment that have not been approved the amount would be many times as great. Some requests had to be refused in toto, such as those for F-86 jet aircraft. Others covered a legitimate requirement of a type which did not contravene the principles we had established but in our opinion the amount was excessive for such requirements.

I mention these cases of rejection to make it clear that the procedures I described earlier are not a complicated method of in fact releasing everything we are asked for. The procedures do constitute an effective control system. This control has been applied because in the view of the government it is important that Canada should not contribute to the development of an arms race in the Middle East or any place else; that is, should not permit exports which would give either of the conflicting sides--if there is a conflict, a political conflict--a military advantage which the other would be bound to try to correct by increasing its military purchases in turn.

The Political Situation in the Middle East

I should like to turn now to the political situation in the area in order to give the background to the question we have been discussing. It is a situation which has been disturbing and unsettled, as I have already said, since the very foundation of the State of Israel. It is becoming increasingly clear that some solution must be found for the problem of the relationship between Israel and her Arab neighbours if that situation is to improve. If it does not improve it will get worse and the danger of conflict will increase. This is especially the case because there are governments which are cynically hoping to obtain political advantage from keeping the Arab-Israeli dispute burning without any concern for the damage that this would cause the Israeli and Arab people, or the danger to peace that might result. I think there would be no contribution on our part to improving the chances of peace in that area by cutting off all shipments of defence equipment to the State of Israel, if that is the policy of my hon. friends opposite.

It is the realization of this danger, the danger of conflict, which prompted Western statesmen recently to offer the assistance of their governments and themselves in helping Israel and the Arab States find a solution for their disputes and problems. We in this government are very much in accord with the spirit of such pronouncements which point to the necessity of a settlement based on conciliation, understanding and compromise, which alone can afford a real basis of security and prosperity for both the Arab and Israeli peoples. The difficulties are great and the dangers are very real, as they always are when passions are high and feelings are deep.

We can sympathize with and understand the fear felt in Israel when they hear across their borders threats of destruction; and, of course, the United Nations did not establish the State of Israel in order to see its obliteration. Similarly, we can understand the feelings of Arab peoples at the alienation of land which was occupied by Arabs for centuries; we can sympathize with the sufferings of the many thousands of Arab refugees who have been made homeless. But surely to both sides the advantages of a confirmed and secure peace, instead of the present condition of precarious armistice, are so great both economically and politically that a negotiated settlement should not be impossible.

I cannot mention the armistice without paying tribute here, and I know the House will join me in this, to the work of Major General Burns, the chief of the United Nations Truce Supervision Organization for Palestine. He is not, of course, serving as a Canadian but as a United Nations official. Nevertheless, since he is a Canadian, I am sure that all hon. members are as proud as I am of his devoted and skilful work in safeguarding the armistice in most difficult and, indeed, at times dangerous circumstances, and of the high regard in which he is held by both sides for his sincerity and impartiality.

As hon. members know, I have had the privilege recently of exchanging views with Israeli and Egyptian leaders. In July the Egyptian foreign minister visited Ottawa and I had the honour of being received by the Premier of Egypt, Colonel Nasser, at Cairo on my way back from Southeast Asia in November. I might at this point answer a particular question put to me by the hon. member for Prince Albert Mr. Diefenbaker when he inquired whether I would "equalize" Canada's position in the Middle East by going to Israel, in view of my visit to Egypt. I hope that it may soon be possible for me to visit Israel to see for myself the exciting and constructive things that are being done there. The reasons why I could not do so during my recent journey have been fully explained already, and I will not waste the time of the House in repeating them here, especially as they were made known to and understood in Israel at that time. I was all the more pleased, therefore, because I had not been able to visit Israel on this trip,

to welcome to Ottawa at the beginning of December Mr. Sharett, the Foreign Minister of Israel, who came here at the invitation of the Prime Minister Mr. St. Laurent. I agree whole-heartedly with the hon. member for Prince Albert that our attitude should be "equal" but I doubt whether anyone would seriously contend that the criterion of such an attitude is an exact and prompt balancing of my journeys to foreign capitals. This "equality" which, as I say, I endorse, must rest on a sturdier basis than that.

In any event, during 1955 two cabinet ministers, two senators and six members of parliament visited Israel from Canada and each spent some time there. The members included the leaders of two parties, and, above all, they included the hon. member for Prince Albert himself. I am flattered, indeed, I am flabbergasted, by the suggestion that all of these visits by such distinguished Canadians were more than equalled by a day and a half stopover by me in Cairo on the way home from a Colombo Plan meeting.

My own discussions with Egyptian and Israeli leaders about the problem of the Middle East and my study of these problems, which I share with others in the House, have left me with the impression that, while the issues are complex and difficult, and even dangerous, there is a basic desire for peace on both sides because it is realized, it must be realized, that this is indispensable to social and economic progress. There seems, then, to be at least this foundation upon which a settlement could be reached.

I believe that the Western powers are ready and anxious—I know that Canada is—to assist in the achievement of a settlement. I hope sincerely that the Soviet Government and its friends are equally anxious. If they are, they will not stimulate and encourage an arms race in the Middle East which can have no good result, except for the political machinations of the stimulators. I agree, of course, with the hon. members for Winnipeg North that the way to blunt the machinations of those who seek to gain advantage from inflaming the troubles of the Middle East is to bring about peace there. I am sure any Canadian Government any government, would wish to do what it could, along with other similarly disposed governments, to assist in bringing about such a peace.

With all respect, however, I do not think that the speech of the hon. member for Winnipeg North made much of a contribution to that end. Among other things he complained of the "passionate admiration" of officials in the London foreign office for the Arabs. His own attitude seemed to me to be one of passionate hostility to the Arab governments. Passion on either side of this issue is not likely to help; indeed, it already has hindered and bedevilled the chances of a settlement. The hon. member implored this Government to pay a "more significant part" in bringing about such a settlement. The attitude he took

in the House, however, would make it more difficult, not less difficult, for any Canadian representative, if he were charged with any responsibility in this matter, to be considered as an impartial and objective conciliator and to pay effectively what he referred to as an "honourable part".

It is easy enough to criticize indiscriminately those powers and those persons who have had to cope directly with this complex issue. It is easy enough to put forward proposals which fortunately no one is expected to put into practice. If our response to recent Soviet moves in the Middle East were to abandon friendly relations with the Arab States and support Israel, completely and exclusively, with our diplomacy and our arms, then we should indeed be playing the communist game. The moral position of the Western powers in that area is based on the fact that they have, though not without mistakes and contradictions, tried to preserve peace on a basis of mutual accommodation rather than on the triumph of one side over the other. I suggest we must not abandon that position because the Russians have done so for their own purposes.

The important question is, however, how can an honourable and satisfactory solution be brought about? The main issues are now commonly known. It seems clear that both sides, if they recognize the desirability of a settlement, must give something to achieve it, must make some compromise. There can never be a negotiated settlement where one side or the other remains adamant. Each must enter into negotiations prepared for some sort of give and take although, of course, no one would expect one of the sides to make prior or unilateral concessions.

It seems to me that an essential, indeed, a first requirement, is that the Arab states should recognize the legitimate and permanent existence of the State of Israel. That, as I see it, necessitates abandonment by them of the impractical stipulation that we must return to the United Nations resolutions of 1947 which provided for a divided Palestine. The Arab states took up arms to prevent these resolutions becoming effective and I do not see how they can claim the right to have them accepted now as the price of peace in that area. The people of Israel have the right to know that their national existence is not at stake. That seems to me to be fundamental. Efforts to bring peace and all its benefits to the Middle East will be of no avail unless Israel and the people of Israel are released from the overhanging fear which naturally envelopes the country as a result of the threats of destruction and of the political and economic warfare directed against it by its neighbours. Deep fear leads to desperate acts which, though they cannot be condoned, may at least be understood. Surely it is essential, therefore, that this basic cause of fear must be removed if there is to be a solution of the Arab-Israeli dispute.

Just as we should like to see Israel freed from the fears and economic pressures which are being imposed on her, we must also hope that the Arab populations will be enabled to move forward toward their goals of economic betterment and social progress. There have, indeed, been concrete proofs that this is the hope of the West.

It may perhaps be said that there is fear also on the part of the Arab states lest they should be attacked. But so far as I am aware, the 1950 tripartite declaration of the three leading Western powers is still valid, that they would oppose the changing of borders by force. Moreover, the United Nations is dedicated to the prevention of aggression and the House will be aware of the fact that only recently the security council of the United Nations, in considering a most regrettable development of the Arab-Israeli dispute, gave unanimous evidence of its determined opposition to the resort to aggressive force. These I maintain, are no inconsiderable safeguards. They would be even stronger if there were permanent frontiers settled by negotiation.

The Arab states on their part are, however, entitled to certain assurances. There must be a fair and honourable solution to the problem of Arab refugees. That is a subject which my hon. friend touched on the other day. The unhappy plight of these refugees is of serious concern not only to the Arab countries and to Israel because it poisons their relations but also, for humanitarian and political reasons, to the whole free world. These unfortunate people have largely been maintained by the United Nations, and Canada has contributed its share toward their support. But that cannot go on much longer. Shelter and a dole are pitiful substitutes for a permanent home and opportunities for gainful work. As I see it, some compensation should be paid these refugees by Israel for loss of land and home. But it is clear that so large a number cannot return to their former land, which is now in the State of Israel whose total population is less than two million; nor in all probability would many desire to live in what would now be to them an alien country. A limited amount of repatriation might be possible such as that which would be involved, for example, in the reuniting of families. For the rest, resettlement as an international operation, to which Israel among others would make a contribution, seems to be the only answer.

But even more important is the question of boundaries. There are at present armistice demarcation lines. They are therefore lines which have not been finally determined by a peace settlement. I believe that they could be susceptible to readjustments. This, of course, is by no means to suggest onesided concessions of territory or any such thing as the "truncation" of Israel which would be crippling to the new state. But perhaps certain boundary rearrangements could be made so as to produce mutually acceptable permanent borders. There is no

doubt, in my mind at least, that if the permanent borders could be agreed upon in this way the United Nations would be deeply interested in the maintenance of their security.

In return for the international guarantee which might result from this interest, with security and stability in the area which would result, I should think both the State of Israel and the Arab States would be willing at least to discuss such readjustments at a peace conference table. It seems to me also that any state which would refuse to discuss peace at such a conference table-and on some such basis of principles as that outlined above, although sketchily-would be taking on a very heavy responsibility indeed. I share, however, the optimism of the Secretary-General of the United Nations, who is now visiting this area on a mission of conciliation and peace that such an uncompromising attitude will not be adopted by anyone and that a settlement based on justice and security will be found. Please God it may be so that this tense and torn area, the Holy Land of so many millions, may become again a land of prosperity and of peace.

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STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 56/2

FOREIGN POLICY STATEMENT

Statement made in the House of Commons on
January 31, 1956, by the Secretary of State
for External Affairs, Mr. L.B. Pearson.

Work of the Armistice Commissions in Indochina

... I should say at least a word about the work of the armistice commissions in Indochina, which was referred to earlier in the sitting this afternoon. In that area of the world Canadians continue to make an important contribution to peace through their work with these commissions. Our men—there are some 170 of them in that area, mostly from the Department of National Defence, members of the armed forces—have discharged their extremely difficult and trying duties with great credit to themselves and to their country. In one of the countries, there, namely Cambodia, we have reached the winding-up stage of the commission, and we have been able to reduce the strength of that commission. Elections have been held in that country, and as a result the commission and its members can leave Cambodia with the satisfaction which they must feel at the stability which has been achieved in a country so recently a victim of war.

In Laos, one of the other countries, the situation is not so good. Elections have also been held there, but the communist Pathet Lao forces, which are grouped in the northern provinces of that country, have refused to accept the Laotian Government or the authority of that government and to take part in the election. Hence no reduction there has been found possible either in the numbers of the commission or in its activities up to the present time.

So far as Vietnam is concerned—and that is probably the most important of the three countries—the military phases of the armistice work have been completed and with little disturbance. I think the commission deserves a good deal of credit for that result. The political aspects, however, present a less satisfactory picture. Little progress has been made in that country toward the national elections visualized by the Geneva conference, and which are scheduled to take place in July of this year. If they do not take place it is hard to say what

effect that failure will have on our obligations in the commission.

This work in Indochina is arduous and difficult, as I have said, and it imposes a heavy burden on the armed forces of our country and upon the Department of External Affairs. We are most anxious to complete it at the earliest possible date. Nevertheless we shall not abandon that work so long as we are convinced that it is making an important contribution to peace.

Recognition of Communist China

I should also say a word about a problem which is very much in our mind these days, namely that of the legal recognition of the communist Chinese Government in Peking. One of the most difficult questions which face this country and many other countries is that of determining our relations with the two rival and bitterly hostile governments of China. It is not as simple an issue to decide as some seem to think. There is more than one factor to take into account before any decisions can wisely be taken. Such a decision requires a careful balancing of many national and international factors, moral, political and economic.

Some time ago—indeed, last summer—I expressed the view that we should have another look at this question in the light of the cessation of hostilities in Korea and in Indochina, in the light of the situation in and around the Formosa straits and in the light of the recent policy of the Peking Government in so far as it is possible to determine it. We have made this re-examination and we feel that the careful policy we have been following, and are still following, has been the right one; rejecting on the one hand immediate diplomatic recognition but rejecting on the other hand the view that a communist regime in Peking can never be recognized as the Government of China.

The arguments for and against recognition of this government have more than once been discussed, and in detail, in this House, and I do not intend to repeat them at this time. I wish merely to state as briefly as possible the considerations which determine our policy as a government in this matter.

The first consideration is the interest of our country, remembering that the paramount interest of us all is international peace and security. In addition, we are obliged to give consideration to the interests and views of our friends and allies, some of whom are even more directly involved than are we in the consequences of diplomatic recognition. It is also important not to confuse recognition with approval. There are, of course,

moral considerations involved and, in the case of a ruthless communist regime, these considerations inevitably must have a bearing on our attitude. But the decision remains predominantly a political one to be taken on the basis of enlightened self-interest, as in many other cases where we have recognized totalitarian regimes.

It should not, however, be assumed that Canadian recognition of the Peking government—even if it were to be granted at some time in the future—would extend to the island of Formosa. As we see it, the legal status of Formosa is still undecided and no step taken vis-a-vis the communist regime should prejudice that issue. In particular, we would not be a party to any action which handed over the people or the government on Formosa, against their will, to any mainland government, let alone to a communist Chinese government.

We condemn the cruelties and tyrannies of the Peking regime, and we continue to hope that the Chinese people will one day be governed by a more enlightened government of their own choice.

But, we must accept the fact of communist control of mainland China. That is one thing we cannot fail to recognize with the corollary that in certain circumstances and in our own interests we may be obliged to deal—as we already have been obliged to do—at Geneva and elsewhere with that government in respect of certain problems which cannot be solved without it. Nor should we, I suggest, base our policy on the likelihood of the nationalist government of Chiang Kai-shek returning to power on the mainland. Furthermore, the anomaly of that government representing China at the United Nations, with a veto that can block any action desired by 52 other members, is becoming increasingly apparent. I believe also that we should accept no commitment to intervene on behalf of the nationalist government in the struggle for the Chinese off-shore islands. Our view on this matter has already been made clear in this House, outside this House and in the United States.

As for Formosa, the only commitment—and this also has been stated in the House—we have is that which might arise out of our obligations under the charter of the United Nations. So far as diplomatic recognition is concerned, we should from time to time review the position in the light of conditions; of our interests and of the views of our friends and allies. However, I believe we should not get ourselves into such an inflexible position that a change in policy, if it were considered to be wise and necessary, could be brought about only with maximum difficulty.

I should like to express one further thought on this subject. We are all concerned, and rightly so, that the utmost in good judgment be applied to this complicated and controversial problem of legal recognition. As I see it, however, we must not let it distract us so much that we ignore the longer term issues which are raised by communist China's emergency as a new and powerful force in the world. The consolidation and growth of Chinese power under communist rule which is now taking place may be historically as important an event as the Russian revolution of 1917. The implications for us in China's determined drive to achieve military and industrial might and a position as a world power may be as far reaching as similar developments which have taken place in Russia. Indeed, one day in the future these two revolutionary forces may clash. It may now seem to us to be of great importance to recognize or not to recognize the communist regime in Peking. It is of far greater importance to recognize that a revolution of cataclysmic force has taken place in China as a fateful part of the emergence of a modern awakened Asia...

Objectives of Soviet Policies

Hon. members will recall the feeling of optimism that was developed at the summit meeting as it is now called, at Geneva last summer: It may well be that hopes at that time were too high and that thinking was too wishful. I remember, along with others, taking that view in this House in the discussion we had on July 23 last year. At that time I, along with a good many others, felt that the real test of the reality and importance of the Geneva spirit was to be the foreign Ministers' meeting which was called for November in an effort to achieve some of the objectives of the summit meeting.

We now know that the results of that November meeting was almost 100 per cent negative. We learned at that time that Soviet words differed from Soviet deeds, and that Soviet tactics were not the same as Soviet policy. As hon. members will recall, as a result of that foreign ministers' meeting in Geneva in November, not a single basic objective of Soviet policy was changed.

What are those objectives? I believe myself that the fundamental objective of Soviet policy, the long-range one, is security for the Soviet Union and the triumph of communist ideology in a world of communist States controlled and dominated by Moscow, I believe this objective remains unaffected either by relaxation or by increases of tensions. The cold war in that sense goes on, and I suggest it is misleading to think of the cold war in any other terms.

This was very well put in an editorial in The Economist magazine last November, which reads:

"Cold war" is an even more misleading phrase than most of the monosyllabic slogans that headline writers love. It is commonly identified with such rudeness and crudeness as the Russians practised until lately. For those who make this over-simple identification, the "cold war" presumably ended when Vishinsky's diatribes gave place to Mr. Khrushchev's waggery, . . . "Cold-war" in that sense need not now return, and it probably will not . . . But the phrase "cold war" was originally coined with reference not to a form of etiquette but to a policy—the policy of "struggle", to borrow a communist keyword. This "struggle" is basically a contest for power over men's minds, a political contest in which economic and military pressures are auxiliary. The "cold war" in this deeper sense never ended, and can never end while the communist rulers cling to their aim of worldwide victory. All that can change is the tactics employed, both by them and by the nations that are ready to defend their liberty.

These are very wise words indeed. But tactics, even on this interpretation of Soviet policy, have changed, and in one sense at least I think the change of tactics has effected a change of strategy, and in a sense that is very important indeed.

I believe myself, and I share that belief, of course, with many others, that the deterrent effect of the hydrogen bomb is now recognized in Moscow. It is now admitted there as in other places that hydrogen warfare means universal destruction, and it is now accepted in Moscow, as in other places, that a balance of terror has been achieved. No one, however, can take much comfort out of it as a solid foundation of peace.

I think, as I said a few moments ago, that the Soviet leaders do want peace in the sense that they do not want atomic warfare, and that they will not deliberately provoke or risk that kind of war with the certainty of mutual destruction. Yet I add that in my view their policy is still conflict short of war that is what they mean, surely, by competitive coexistence; not friendly co-operation.

It is always wise to go to the Soviet leaders' own words to get inside their minds, especially the words they are aiming not at their potential enemies outside, but the words which they use for their own friends, their own people. In that connection, Mr. Stalin himself expressed what he meant by coexistence, and it is a definition that has never been disavowed by his followers, when he said:

"The limits of coexistence are set by the opposite characters of the two systems between which there is opposition and conflict. Within the limits allowed by these two systems, but only within these limits, agreement is quite possible."

Then, more recently Stalin's successor, Mr. Khrushchev on September 17 last, in addressing an East German delegation in Moscow, said this, and these words are now pretty well known:

"We always tell the truth to our friends as well as to our enemies. We are in favour of a detente; but if anyone thinks that for this reason we shall forget about Marx, Engels and Lenin he is mistaken. This will happen when shrimps learn to whistle."

He went on:

"We are for coexistence because there is in the world a capitalist and a socialist system, but we shall always adhere to the building of socialism. We do not believe that war is necessary to that end. Peaceful competition will be sufficient."

That should be reassuring but it is not so reassuring when you try to analyse what is meant by the kind of competition which is referred to; competition under their rules, or under no rules. I suggest we must face the fact of their kind of competition.

Another objective which has not changed because of any Geneva spirit is to win over, subvert and eventually engulf the uncommitted millions of Asia and Africa. The recent visit of Soviet leaders to India is just one example of their determination to pursue their objective—a visit which I am sure did not deceive our Indian friends. Another example is the Soviet policy in backing Arab states militarily and politically.

This objective, I think, is fixed but here again their tactics are flexible. They are willing to either take the peace approach to the achievement of their objective or the force approach. Mr. Khrushchev is an outstanding example of the ability to use either tactic. In India he could pay pious if unconvincing tributes to Gandhi, the great apostle of pacificism, on one day and the next day boast that one of their hydrogen bombs could destroy an Indian city. The most important tactic of all in the achievement of this objective is, of course, to exploit and lead, if possible through local communist parties, the insistent demand for political freedom, racial equality and social betterment which exists in that part of the world today. They are having too much success in the achievement of that objective.

The third objective which I suggest has not changed is to weaken, divide and eventually destroy the North Atlantic Treaty Organization and drive the United States out of western Europe. How do they expect to achieve that? Well, there is the tactic of smiling away our fears so we will throw away our arms and our unity, to convince us that the Soviet Union is merely a country of footballers, fiddlers and flowers.

There is another tactic, and that is the Soviet attitude concerning Germany and its relationship to NATO. This is specifically shown in the Soviet attitude toward the unification of Germany, where it is now quite clear that they will refuse to consent to that unification except on their own terms. And what are those terms, at least at the present time? Mr. Khrushchec said it was withdrawal from NATO. He told me that on more than one occasion, but I suspect that he told me only half the story and that Mr. Molotov told the other half at the Geneva conference. It became clear as a result of the statements he made at that meeting that even a Germany out of NATO, even a Germany neutralized and disarmed, would not be enough as the price for unification. The present Russian position goes further than that, and I think we can take Mr. Molotov's words at face value when he said there will be no unification unless the social and economic benefits of the Germans of the East are preserved.

That means there will be no unification unless all of Germany goes communist, and that means there will be no free election. Surely that has now become clear, and I suggest we should keep it clear, so there will be no difficulty in understanding what the position is.

Now this policy of the Soviet Union in regard to Germany involves difficulties for the government and people of the Federal Republic of Germany. It is for that reason we all welcomed the searching examination which was given to that problem at the recent NATO council meeting. So we welcomed the assurance that was given last December by the foreign Minister of the Federal Republic that the present policy of that government had the overwhelming support of the German people; that notwithstanding—indeed, in a sense because of—the failure of the Geneva conference; that German opinion was steady and undeceived, that they now knew the Russian price for unification, and they would not have it on those terms.

It seems to me there is an awareness of this development even in the east itself—that is, Eastern Germany itself that may be one reason why last year 271,000 refugees from what is called by the communists the workers' paradise fled to Western Germany. It is true, of course, that the Soviet Government does try to misrepresent the situation.

It was misrepresented in our visit to Moscow, too, in the sense that we were told that the policy of the West was to insist that Germany shall remain in NATO as a price for unification. That, of course, is not the case. All we ask is that the Germans be allowed to make their own choice as a result of free elections. That choice might be membership in NATO or withdrawal from NATO, or any other course they may desire to follow; and it should be made perfectly clear that that is the position of the West. We should do our best to correct misrepresentations of that position from communist sources.

I have mentioned the NATO conference meeting. I do not have time today to give any detailed report of it, but I can say this. We agreed at that meeting, as you would have expected us to agree, that nothing happened to justify any relaxation in our defence or in our diplomacy. We felt that those who were opposed to NATO were counting on relaxation of the tension bringing about a relaxation of effort and a weakening in our unity. We agreed that we must do our best to remain strong and united and keep our diplomacy flexible and active. I hope there will be another opportunity when I can report in greater detail about the NATO developments, and especially the Council meeting last December.

The International Situation

In conclusion, may I just say a word on the general situation. The great combined effort to maintain peace and freedom goes on. The leadership in that effort continues to rest with the United States of America, and that is why every other free nation, especially a neighbour and friend like Canada, must be intensely preoccupied with every aspect of American policy. That is why we must make our views clearly known to the people of that country on the issues which affect us both but in which their position is vital.

The two greatest factors today bearing on the danger of aggression in all parts of the world are, I think, first the nature and conduct of United States policy because of its position of power and leadership, and second the strength of United States arms. As the predominant element of power in the NATO alliance—where would we be today without it? United States strength, military and economic, has been of decisive importance during the past decade in maintaining peace in Europe, and hence in the world. It will be so, I believe, in the years ahead.

Similarly, the determination of the United States to give leadership in resisting aggression in Korea in 1950 saved collective security and probably the United Nations itself. We would be wise not to forget this when we dwell on present differences of viewpoint within the coalition—and we have them—particularly in connection with Far Eastern policy.

While our policy should, of course, be designed and carried out to make the use of force unnecessary; while tactics should be followed that are neither provocative nor rash, nevertheless, the maintenance of force in this unhappy world of today and the clear resolve to use it as a final necessity against aggression is an indisputable obligation on us all at the present time. The deterrent value of such force, as I see it, should neither be squandered by bluff nor made impotent by loss of nerve in a genuine crisis.

Our purpose and our policy must be to avoid crises and to solve international problems. But crises, in spite of all our efforts, may occur, and dangerous and unresolved problems may persist. It is important, therefore, that the communist bloc, which we fear and which we still have cause to fear, should not get the impression that free peoples in their passion for peace and their desire to secure it by negotiation and the resolving of differences would, under no circumstances, make use of the deterrent strength they have built up for security and defence in accordance with the principles of the United Nations.

This strength, though centred in the United States, is the sum total of that of many free countries, all of whom are devoted and will continue to be devoted to the ideal of peace and will strive with all their power to find means of securing that peace. That strength, then, being collective, should be used collectively if it is to be effective. This requires that every member of the coalition should know about and, if possible, should agree with the policies of the leaders as to when and how the threat of aggression, as well as its actuality, must be faced and countered. On no other basis can there be solid unity, and unity is as much a part of our strength as bombs.

We are moving, I think, into a much more fluid period or relations with the communist world than those which characterized the hard and brutal rigidity and the tense isolation of the late Stalinist period. It must be quite clear now that the new tactic of Russia is one of manoeuvre and contact, of trying everything that may help their cause; of smiles and scowls, of kicks and carrots. These tactics may be more dangerous and difficult to deal with than any ever employed by Stalin. They are certainly more complex. But at any rate, in the long run, they may offer some possibilities for negotiation and settlement. To meet them and to bring about that negotiation and settlement to which we would all give first place in our efforts, requires flexibility and imagination on our part. As "our" refers to a coalition of free states, with a cherished freedom even to differ, this is going to be difficult to combine with unity of purpose and co-ordination of methods.

We must, then, develop an imaginative yet realistic diplomacy, one based on a clear and unclouded understanding of the intentions and methods of the Soviet Union and its satellites and of their strengths and weaknesses; one based also on a staunch adherence to our own policies and principles.

There is now less reason for complacency on our part than ever, for the threat to the institutions and the society of the free world remains as strong as ever. There is, however, no reason for despair merely because Mr. Molotov said "Nyet" at Geneva and because Mr. Bulganin and Mr. Khrushchev continue to level harsh and unfounded accusations at the western powers, mixed with honeyed words and offers of peace pacts. The latest of these offers was made the other day to the government of the United States through a message from Mr. Bulganin to President Eisenhower. I feel that I am voicing the impressions of most members of this House, though I know I should speak only for myself, when I say that I have read with admiration and respect the reply of the President of the United States to that offer. It was constructive not negative, and it was the sort of attitude that in a matter of this kind I am sure this government would be happy to support.

I have already mentioned the feeling of confidence and self-assurance of the Soviet leaders. If on our part we can show strength, steadiness and unity—a strength which is more than military, a steadiness which is not indifference and a unity which is based on common ideals and which requires careful and continuous fostering—we shall prove the communists wrong in their assurance that the future belongs to them.

If we do not, we shall have only ourselves to blame.

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STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

56/3

THE ECONOMICS OF PEACE

A Canadian view of European-North American economic co-operation through NATO, OEEC and GATT.

An address by Mr. L. D. Wilgress, Ambassador and Permanent Representative of Canada to the North Atlantic Council, to a meeting sponsored by The English-Speaking Union at Edinburgh.

It is a great pleasure for me to have this opportunity of meeting representative business men of this important and beautiful city. I think it is very fitting that The English-Speaking Union has taken the initiative in arranging for me to come and talk to you about economic collaboration between Europe and America through the various international organizations with which I am connected. The aim of the Union is to bring about a better understanding between the peoples of the English-Speaking world. That means the strengthening of ties across the Atlantic. It is in the North Atlantic Alliance that three countries of the English-speaking world have forged ties which have brought them into close working relationships with one another. The aims of The English-Speaking Union are being very directly fostered by NATO.

I propose to tell you how economic co-operation between Europe and America is being developed in such organizations as NATO, the OEEC and GATT, to mention those with which I am connected. The same applies to other organizations such as the International Monetary Fund, the International Bank for Reconstruction and Development, and the Food and Agriculture Organization, but I shall not deal with them, except in very general terms, because I have no first-hand knowledge of their operations. I want to make it quite plain that by economic co-operation I am not referring so much to the generous assistance afforded by America towards the restoration of the European economies as to economic collaboration across the Atlantic in the new period characterized by the slogan "trade not aid".

I shall take up NATO first because that organization embodies the concept of the North Atlantic Community to which the leading countries of Western Europe and North America belong. The strength and well-being of this community depend upon close economic co-operation between the member countries on both sides of the ocean. It is as members of that community also that they are collaborating in the other organizations I have mentioned.

Unfortunately, the aims and objectives of NATO are not always properly understood, even in this country. I am sure that you are better informed than was the case with an American woman journalist who was interviewing my United States colleague, as he was sailing from New York to take up his appointment as United States Ambassador to NATO. She asked him what kind of clothes he would have to wear in that country.

Even Canadian friends of mine, who ought to know better, frequently say when they meet me "You are now at SHAPE, are you not?" As you know, SHAPE is the designation of the NATO military headquarters for Europe, while I am accredited to the North Atlantic Council, the supreme governing body of NATO. These remarks of my Canadian friends only go to show how closely NATO is identified in the public mind with a purely military alliance. This is not surprising because NATO is primarily a military alliance. It was established to restore the balance of power in Europe and thereby deter aggression. As such, it has become the greatest single force for peace. It is because of the existence of the NATO integrated forces and the deterrent to war represented by the atomic or thermo-nuclear threat that talks with the Soviet leaders have now become possible.

But NATO is something more than a military alliance. It is a community whose members share common ideals and a similar if not identical way of life. In this community lies not only the main strength to deter aggression against the free world. Its members are also the heirs of great traditions of freedom and democratic government. In this century of almost unbelievable technical change and social advancement, the countries of the North Atlantic Community are in the vanguard and the way in which we evolve our societies to meet new economic conditions is sure to have broad implications, not only for the rest of the free world but perhaps also for countries which are not yet free. The North Atlantic Community is a dynamic nucleus, but it is not in any sense exclusive. Co-operation within the community should have as its ultimate aim the broadest co-operation among all like-minded countries.

It is particularly about Article 2 of the North Atlantic Treaty that I wish to speak to you to-day. This Article sets out the non-military objectives of the Treaty. It was a reflection of the desire on the part of those who drafted the Treaty to present it to their peoples as something more positive and more constructive than a mere military alliance. You will recall that, after the war, when the United Nations Organization was being set up, there was a determination that there should be a great advance from pre-war days in the degree of international co-operation in social and economic matters. Accordingly, the United Nations was given considerable responsibilities in this field and was provided with an extensive system of specialized agencies, which are either directly subordinate to the central political structure or are associated with it. The inclusion of Article 2 in the North Atlantic Treaty in a similar manner reflects this post-war emphasis on social and economic betterment.

Under Article 2 of the Treaty the partners agreed to four binding commitments, namely: (1) to strengthen their free institutions; (2) to bring about a better understanding of the principles on which those institutions are founded; (3) to promote conditions of stability and well being; and (4) to seek to eliminate conflict in their international economic policies and to encourage economic collaboration between any or all of them. It is in relation to the third and fourth of these binding commitments that I wish particularly to speak to you to-day.

It is not a criticism of NATO to say that it has refrained from setting up administrative machinery to promote the type of co-operation to which the member countries have fully committed themselves. NATO appeared later on the scene and found, already set up, a galaxy of international organizations and agencies concerned with social and economic co-operation. Some of these agencies were regional while others had a world-wide character. Obviously it would have been neither wise nor useful to duplicate work already being effectively performed elsewhere. On the contrary, it is gratifying that some of the non-military aims of NATO were already being actively pursued at the time when the Treaty was signed.

It is most of all in the field of economic co-operation that the prior existence of other organizations has precluded NATO from taking active steps to carry out the provisions of Article 2 of the Treaty, particularly that part of the Article which refers to the elimination of conflicts in their international economic policies and the encouragement of economic collaboration between any or all of the NATO countries.

Let us take, as an example, the O.E.E.C. -- or to give it its full title -- the Organization for European Economic Co-operation. Canada and the United States are associate members of O.E.E.C., and all of the other NATO countries are full members. It was partly by reason of Article 2 of the North Atlantic Treaty that Canada, in 1950, became an associate member of O.E.E.C. The membership of this Organization, however, is wider than that of NATO and includes countries whose traditional policies of neutrality preclude them from having any association with even a defensive military alliance. I am referring in this connection to Switzerland, Sweden, Ireland and, we can now add, Austria. For this reason there can be no organic connection between NATO and O.E.E.C. In practice, however, NATO is able to draw on the work that is being done in that Organization by reason of the fact that so many members are common to both organizations and each has its headquarters in Paris. That is the reason why the Canadian Government have appointed me both as their representative to NATO and as their representative to O.E.E.C.

One activity NATO has had to undertake in the economic spheres has been an examination of the impact of defence expenditures on the economies of the different countries. Obviously, in drawing up a defence plan, account has had to be taken of the economic capabilities of each of the NATO countries. The economic data, however, required to make such appraisals has been drawn largely from information available in O.E.E.C., although supplemented, where necessary, by data obtained directly from the NATO countries. On the other hand, in reviewing annually the defence efforts of each member country, NATO can and does make recommendations about their economic policies.

Economic co-operation between the NATO countries is not limited to the activities of the O.E.E.C. Such co-operation also takes place within the broader organizations having a world-wide character, such as the International Monetary Fund and the Contracting Parties to the General Agreement on Tariffs and Trade - more commonly known as the GATT. The latter Organization, of which I am Chairman, has a special significance for co-operation between Europe and America, as I shall mention later on.

NATO includes the countries with the greatest financial and economic strength. Together they account for approximately two-thirds of the total world trade. Hence, their policies have a decisive influence on the development of international economic co-operation. For this reason, it is a pity that an opportunity is not afforded from time to time for discussion in a NATO forum of the broad lines of economic policy. This would serve to reinforce the concept of the Atlantic Community. Such reinforcement has become



important now that the more favourable international climate may tend to place an increased emphasis on the non-military aspects of our community. We must be increasingly concerned with the political aspects of our relative economic strength, which, in part, is a measure of the degree of co-operation within the North Atlantic Community and amongst the countries of the Free World. It is therefore appropriate that NATO should concern itself with the successful development of economic co-operation between its members and, in a broad way, with co-operation between all free countries.

The O.E.E.C. is not a suitable forum for discussions relating to Article 2 for a number of reasons. First of all, it is a regional organization embracing a region which forms a part only of the Atlantic Community. Secondly, the United States and Canada are not full members of O.E.E.C. but only associate members. While associate membership affords ample scope for the expression of views, it does not give these important members of the Atlantic Community that equality of status they would have in a NATO forum. Thirdly, the presence of the neutrals precludes any NATO country from invoking Article 2 of the North Atlantic Treaty in the O.E.E.C. forum. Hence, O.E.E.C. does not serve to keep alive this Article as an instrument of international economic policy.

In spite of these drawbacks from the point of view of the concept of the Atlantic Community, a great deal of valuable collaboration between Europe and America is taking place in O.E.E.C. That Organization has proved itself to be one of the most effective inter-governmental agencies ever set up. It has played, with American assistance, a notable part in the restoration of the European economies after the war. By establishing and then operating the European Payments Union, it has greatly facilitated the clearing of accounts between European countries and thereby the exchange of goods between them. It has made good progress in the dismantling of quantitative import restrictions through the progressive liberalization of the trade of the member countries. It has taken steps to remove discrimination by European countries against the trade of outside countries, such as the United States and Canada. In all this work the Organization has received advice and assistance from the United States and Canada, who have actively participated in its work as associate members.

Let us now turn to those organizations of a world-wide character which I have referred to already. First of all, let us admit that in this respect the situation is a great improvement over that which prevailed in the period between the two world wars. I was present at the Financial and Economic Conference which was held in London in 1933 at the depth of the great depression. That Conference failed completely to

bring about a joint effort by governments to solve the problems with which they were confronted. The result was that each country went more or less its own way in endeavouring to deal with the pressing problems of mass unemployment, under-production and fluctuating exchange rates. Instead of international economic co-operation, we had international chaos brought about by the worst manifestations of economic nationalism.

Now, we have had set up since the war a series of inter-governmental agencies dealing with the various aspects of financial and other economic relations between nations. In these agencies the countries of Europe and America are co-operating with each other and with the countries of other continents to promote conditions of stability and well-being. The one field in which the process of setting up an inter-governmental agency has not yet been completed is that vital segment of international economic relations, namely trade. We have, however, been making progress in that direction.

After protracted discussions, a Charter for an International Trade Organization was drawn up at Havana, Cuba, early in 1948. It failed, however, to secure ratification by the principal trading nations. In the meantime, however, a group of countries, which had been doing the preparatory work for this Charter, had negotiated among themselves a multi-lateral tariff agreement, known as the General Agreement on Tariffs and Trade. The articles of this Agreement incorporated most of the commercial policy provisions of the Havana Charter. The Contracting Parties to the Agreement have been meeting from time to time to consider matters arising out of its operation. In this way, there has come into being the Organization known as GATT, which now comprises thirty-five countries, including the most important countries in world trade.

Last winter the Contracting Parties undertook a comprehensive review of the General Agreement with a view to revising its provisions in the light of experience. They agreed upon certain amendments which are now awaiting ratification. They also agreed upon an organizational agreement, which, when ratified, will establish an Organization for Trade Co-operation to take the place of the present provisional organization known as the GATT.

We have to recognize that GATT is the only inter-governmental organization ever set up to deal with questions of trade on a world-wide basis. It is the only forum we have for the discussion of commercial policy questions on such a world-wide basis.

The policy of non-discrimination in trade, which is the keystone of GATT, is in the interests of all of the countries of the Atlantic Community. Discrimination has the effect of shutting a country off from the most economical source of supply. It means buying goods at prices higher than the prices at which similar goods are available elsewhere. Hence, a country practising discrimination, isolates itself to that extent from international competition. Costs within that country tend to get out of line with world costs, and its industries are less able to compete in export markets. This is particularly important for countries such as the United Kingdom and Canada which are so dependent upon export trade for their continued prosperity. We must have a fair measure of international competition if we are to promote conditions of stability and well-being among the countries of the Atlantic Community.

Thus, the NATO member countries, by co-operating actively in the GATT forum to reduce trade barriers on a non-discriminatory basis, are promoting a most important form of economic collaboration envisaged in Article 2 of the North Atlantic Treaty.

You will see from what I have said how much the strength and stability of the Atlantic Community depends upon the economic co-operation that is now taking place among the members of the Community in such forums as the OEEC, the IMF, and GATT. This co-operation is vital to the continued strength of the Atlantic Alliance on which our security depends. Our co-operation must also be made to provide an example of the way in which free nations should live together by seeking their own best interests within the context of the general well-being of all like-minded countries.

Economic co-operation in all international organizations may not be the detailed responsibility of NATO, but the spirit and objectives of Article 2 of the Treaty should be made to permeate their work through the good offices of the representatives of NATO member countries. The NATO Council itself may find in the future that it may usefully consider the broad politico-economic aspects of the trends in these organizations in the light of Article 2 and the relative developments in the Russian Bloc and in the Free world.

May I conclude by saying a few words about the relationship of my own country to NATO. I might begin by pointing out the geographical vulnerability of Canada in any future thermonuclear aggression. Lying as it does between the USSR and the United States, Canada is bound to be as much in the front line, should war break out, as any of the European countries of NATO. In the past, we have recognized the urgent needs of the defence of the European area of NATO, and have

contributed substantial forces and equipment to make up deficiencies. It is well known that at the present time we maintain an infantry brigade and an air division in full readiness in Europe. However, it is becoming increasingly evident that our responsibility in the defence of the North American sector of the NATO area increases with every improvement in the ability of the Soviet Bloc to launch long-range nuclear attacks, and we are fully aware of the importance to the whole alliance of our preparations to defend Canada and to play our part in the defence of the industrial heart of North America.

In addition to the Canadian Government's recognition of its defence responsibilities under the Alliance, my Government has also an active interest in promoting the non-military aspects of co-operation within the North Atlantic Community. It is our hope that new ways can be found to strengthen the sense of community which we feel with other member countries. Canada derives 85% of her imports from the North Atlantic area, and sends to it a similar percentage of her exports. I might add that nearly all of our population originated in other countries of the Alliance - a good and valuable part of them from Scotland, with whom Canadians have particularly close links of friendship and from which we derive some of our most cherished imports.

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STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA



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CANADA'S ECONOMIC OUTLOOK

Address by John H. Dickey, Parliamentary Assistant to Minister of Defence Production to Canadian Retail Hardware Association in Toronto, Ontario on February 6, 1956.

The subject allotted to me at today's luncheon is "Canada's Economic Outlook". Perhaps I might do three things today: review briefly where the Canadian economy stands at present; comment on what seems to lie ahead for us over the next year; and finally, conclude with some observations on how the economic outlook is likely to affect your own business - the hardware business.

By any standard of comparison the year just passed has been Canada's best peacetime year of economic achievement. The nation's output reached a value of close to \$26½ billion in 1955, or 10 per cent above the gross national product of 1954. The remarkable thing about this record output was that it was achieved with comparative ease. The economy was not entirely free from stresses and strains of serious supply bottlenecks, which became more noticeable as the year came to a close. But inflationary pressures which usually accompany such a rapid expansion of economic activity, were almost wholly absent. The general price level in Canada in 1955 was little different from that in 1954. As a result, almost all of the increase recorded in Canada's gross national product represented an addition to the volume of goods and services produced in the country and available to Canadians to use.

You may recall that the last peak in economic activity was in 1953 when we had a gross national product of about \$24½ billion. In the ensuing year, the Canadian economy levelled off. In the non-agricultural sector we about held our own, but in the agricultural sector a decline was recorded. Even if the achievements of 1955 are stacked up against the previous economic record of 1953, last year still marks a period of significant economic progress. The increase in the volume of gross national product over the two-year period, that is, 1953 to 1955, was 7 per cent, or at an annual average rate of increase

over the two-year period of better than 3 per cent. It looks as if the Canadian economy, after a period of eight years of uninterrupted post-war expansion, paused in 1954, only to resume its upward trend with renewed vigour, resulting in two years' economic growth being compressed into one year.

Another outstanding feature of Canada's economic achievements of last year was that our expansion proceeded on a broad front covering almost every sector of the economy as well as all regions of our country.

The volume of industrial output was about 9 per cent higher in 1955 than in 1954, exceeding the previous record of 1953 by about 7 per cent. The volume of mining production was 15 per cent above the level of 1954, and considerably higher than 1953, by almost 30 per cent. Manufacturing output in volume terms showed a gain of 7 per cent over 1954 and of 2 per cent over the previous high mark of 1953. The volume output of Canada's electric power and manufactured gas industries rose by 8 per cent over 1954 and 14 per cent over 1953. Many of our key industries chalked up new records. Our steel production rose by over 40 per cent in the year just passed. Notable records were also achieved in other industries, including nickel, iron ore, zinc, asbestos, cement and passenger cars. Even in the newsprint industry, which has been working at capacity in the post-war period, another record was set in 1955, with an increase in output of 4 per cent over 1954. Business also picked up in some industries that had had difficulties the year before, such as the textile industry and the farm implements industry. And, of course, your own industry, the hardware business, kept in step with the nation by chalking up new records. I shall have something to say about this a little later.

That economic expansion was well distributed regionally across Canada is illustrated by the expansion in output in our manufacturing industries. The gross value of production of our manufacturing industries reached a total of \$18.7 billion in 1955, up by $6\frac{1}{2}$ per cent over the year previous. Here are the comparable percentage increases for the major regions of Canada: Atlantic Region, up 4 per cent; Quebec, up 6 per cent; Ontario, up 6 per cent; Prairie Region, up 8 per cent, and British Columbia, up 7 per cent. Employment in all major regions in Canada rose and so did the incomes Canadians were earning. This in turn has made it possible for Canadians to spend more, and merchants across Canada were doing a landslide business. Our retail trade sales reached a record of \$12.7 billion, recording an increase of 6 per cent over 1954. The percentage increases for the major regions were as follows: Atlantic Region, up $6\frac{1}{2}$ per cent; Quebec, up 5 per cent; Ontario, up 7 per cent; Prairie Region, up about 3 per cent, and British Columbia, up 10 per cent.

As for employment and income in Canada generally, two features that became apparent in 1955 are particularly encouraging.

New job opportunities developing have been rising at a more rapid rate than the number of persons entering the labour force. Canada's civilian labour force rose by about 150,000 from December 1954 to December 1955, new jobs by about 200,000, resulting in a drop in the number of unemployed of about 50,000. In December 1955 persons without jobs and seeking work numbered 200,000, or 3.6 per cent of the civilian labour force. This is the same proportion recorded in Canada's previous peak year of economic activity in 1953.

Personal income in 1955 reached a record total of better than \$19¹/₂ billion, about 8 per cent ahead of 1954. The income of wage earners and salaried personnel, which represents the bulk of personal income, has been on a rising trend throughout 1955. Running ahead about 5 per cent at the beginning of the year, it was running ahead about 10 per cent at the end of the year.

As a result of higher levels of employment and income and the generally prosperous conditions in the country, the Canadian standard of living rose notably. This is reflected in record expenditures by Canadians on consumer goods and services, about \$16³/₄ billion, or about one billion dollars more than in 1954. This works out to a per capita increase in consumer spending of 3.6 per cent from 1954 to 1955, or a greater improvement in living standards in real terms than in most other post-war years.

Future Prospects

Looking ahead at what might happen during the coming year, we have good reason to expect a further expansion of the Canadian economy. Two of the most important dynamic elements in our economic outlook are our foreign trade situation and capital expenditures.

In 1955, new peaks were established in both the value and volume of our commodity trade, and the total value of goods exchanged between Canada and the rest of the world was of the order of \$9 billion. This represents an increase of about \$1 billion over the value of the goods imported and exported during 1954.

Total exports did not increase quite as much as did imports, despite significant gains in our sales to both the United States and the United Kingdom. The encouraging strength of the 1955 export market stemmed largely from the persistent world-wide demand for forest products, iron ore, base metals, petroleum and certain chemicals. Total commodity exports during 1955 were about 12 per cent higher in value than during the corresponding period in 1954.

Commodity imports in 1955 were the highest in Canada's history in both value and volume terms. The value of goods imported during 1955 was about \$4.7 billion, over \$2 billion or 15 per cent above the 1954 level. Purchases from the United States were higher by about 17 per cent, those from the United Kingdom were up 4 per cent, and the rest of the world increased sales to this country by about 16 per cent.

The outlook for our foreign trade for 1956 continues to be encouraging. The economic prospects of our major customers, the United States and the United Kingdom, appear fairly bright. The continuation of high levels of economic activity in the United States and Europe means that world demand for the products of our forests, mines and factories is likely to be well maintained. There will undoubtedly be some changes in the composition of our exports but any reduction may be more than made good by increased sales of other products, i.e., if softwood lumber sales were not maintained at the record levels of 1955 - and the prospects are they may - increased shipments of forest products such as newsprint and pulp, coupled with higher prices, would more than compensate.

Grain exports in 1956 are likely to be higher than in 1955. You may recall that Mr. Howe stated in Parliament last month that the current outlook for wheat exports was encouraging - that despite a slow start orders had been coming in steadily since November last, and that by March of this year we might pass last year's exports. The addition of these foreign wheat sales, which would normally have been largely in the 1955 export total, will further swell our 1956 foreign sales figure.

The prospects are for imports to continue at a high level in 1956. As our domestic economy expands, we will need more raw materials, consumer and capital goods from abroad. In fact, in some fields imports will aid us in relieving a tight supply situation.

Another important sector of Canadian economic activity of particular interest to the hardware industry involves capital expenditures on such things as new structures and on plant and equipment. Construction activity in Canada during 1955 was at a record level. It now appears that the outlays of \$4.1 billion for new construction that were anticipated earlier in the year have been realized and expenditures for this purpose have exceeded those of 1954 by more than 10 per cent. The accomplishment of this record construction program is particularly noteworthy since most of the increased activity occurred in the latter part of the year. This upsurge in demand took place at a time of high activity in both the United States and Western Europe, making it more difficult to obtain supplies of scarce materials from these sources. The fact that a substantially increased construction program could be accomplished under these circumstances, and with very moderate price increases, reflects great credit on both the Canadian construction industry

and the suppliers of building materials. However, the volume of construction work accomplished in 1955 did not fully reflect the demand for new structures.

In the housing sector, achievements were particularly spectacular, as you probably will have noticed from the record sales of household hardware. Preliminary estimates put the number of new units started in 1955 at 138,000, a significantly larger number than those recorded in 1954, which itself had been a peak year. This expansion in housebuilding was achieved when construction activity was fairly buoyant in most other sectors and without any significant rise in building costs. At year-end the number of housing units under construction numbered 80,000, or 12,000 more than a year earlier. This heavy carryover promises a continuation of a high volume of residential construction in 1956, particularly for the first part of the year.

While housebuilding activity considerably exceeded expectations most other types of construction fell somewhat short of builders' intentions. This may have been partly due to delays in getting projects underway and partly to the tight materials situation.

There is every indication that this high level of construction activity will continue through the present year. Preliminary returns from the survey of investment intentions indicate that Canadian business, governments, institutions and housebuilders plan, in total, further substantial increases in their construction spending in 1956. The 1956 program will probably call for a continuation of the high level of activity in residential, commercial and institutional building and an increased emphasis on industrial and engineering types of construction. Such a construction program will place substantially increased demands on the construction industry and on suppliers of building materials. Increased activity and careful planning by these industries will be necessary if this program is to be accomplished.

Capital expenditures include, in addition to construction outlays, those for the acquisition of producers' machinery and equipment. It would appear that spending for this purpose in 1955 was a little greater than had been anticipated and that capital spending in total for the year will probably exceed \$6 billion. The indications for 1956 are that purchases of machinery and equipment will also be above those of last year, particularly in the cases of industrial and mining machinery, and will likely approximate the high levels reached in the period of rearmament of 1952 and 1953. Given adequate supplies, capital expenditures in 1956 may exceed those made in 1955 by a significant margin. Overall figures and details of investment plans of Canadian industry and other groups should be available shortly, when Mr. Howe tables in Parliament the White Paper on the Investment Outlook.

All major regions of Canada are likely to participate in the expanding investment program anticipated for 1956. There are major resources development projects in almost every region, from new pulp mills in British Columbia to base metals and fisheries developments on the Atlantic coast, from oil, natural gas and other mining developments in the Prairie Region to new hydro and secondary industrial developments in the Province of Quebec. In Ontario the expansion is on a very broad front. Heavy industries, such as steel, plan to spend many millions of dollars on expansion projects and so do some fabricating industries including steel pipe and machinery-building, not to mention scheduled major power and transportation developments and a number of large projects being undertaken in the commercial, institutional and public sectors.

I gather that you are particularly interested in the progress in sight for two major development projects: The St. Lawrence Seaway and the Trans-Canada Pipe Lines.

With respect to the Seaway, a considerable speed-up in construction work is expected for 1956. Some 30 contracts have been awarded, involving about \$60 million, and much of this work will be carried out this year. A number of new contracts are expected to be let in the near future, including a \$37 million contract for the building of the Soulanges-Beauharnois section of the Seaway.

As far as the Trans-Canada Pipe Line is concerned, perhaps the most important question that Canadians generally and people in Ontario particularly are asking is: When can we expect western natural gas to reach Toronto and Montreal? Mr. Howe answered this question recently when he said that the "best estimate, made after rather careful study of all the factors, would be the autumn of 1958. The pipe for the western section of the line has been ordered." Mr. Howe expressed the hope "that construction can commence on the western end as early this spring as weather will permit". In a major project like building the trans-Canada pipe line, as well as the supplementary gathering, a cleaning and distribution facilities, some difficulties must be expected, particularly with respect to the financing of the project and in developing markets. As these difficulties are overcome, the sheer physical dimensions of the project, involving as they do something like a billion dollars, will make it necessary to spread out the work over a period of two or three years.

Summing up, with demand in most sectors of the Canadian economy continuing to be fairly strong, we can expect another record year of overall economic activity. I would not be surprised to see Canada's gross national product rise by another billion this year, given fair crops. In being generally optimistic about Canada's future for the coming year, we should remember that, as the year proceeds, we may again encounter some of the difficulties that have receded in importance in the last 12 months.

As Canadian industry continues to expand its capacity, it is likely to overtake demand which at present is particularly buoyant. Hence we must expect increasing competition, not only from our foreign suppliers but also from domestic producers. This continuing challenge, which is pushed into the background in a period of rapid growth, reappears regularly when the economy is less buoyant. The objective of increasing efficiency and remaining competitive is one which Canadian industry wants to keep continuously in mind. It is perhaps not good enough to think of it only in times when the going is tough and forget about it when business is brisk.

There are other uncertainties. As 1955 was drawing to a close, our friends in the United States were fairly optimistic about their economic outlook for 1956. But we are now finding some doubt expressed about the rate of expansion the U.S. economy might experience this year, largely because of three adverse factors: a decline in motor car sales, a drop in housing starts, and a set-back in the stockmarket.

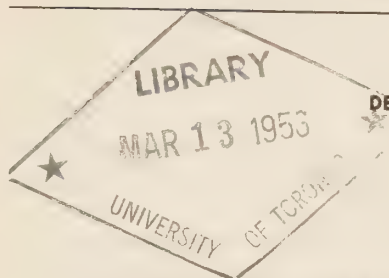
The forces of expansion in the Canadian economy seem to be somewhat stronger than those operating in the American economy, on the basis of reports we have been getting lately from U.S. experts. Hence, economic activity in Canada may rise during this year even though there may be some slackening in the U.S. economy. But the fact remains that sooner or later we may feel the impact of a pause in the expansion in the States, particularly if that pause is of longish duration.

If such a situation were to develop, Canadians might do well to try to see things in perspective. If we are able to make rapid economic progress in our stride as we have done in 1955, we should be equally able to see the difficulties we may be encountering as what they are: as roadblocks in the way of further economic expansion with which we probably can cope, in concert with other like-minded nations, and not as major calamities.

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STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No 56/5

A REVIEW OF CANADIAN-U.S. RELATIONS

Address by Canadian Ambassador to the United States, Mr. A.D.P. Heeney, at the Twenty-fifth Anniversary Banquet of the Young Men's Section, The Montreal Board of Trade, February 27, 1956.

During this week of celebration it is permissible for us to take some pride and satisfaction in the founding of the Montreal Junior Board of Trade, a quarter of a century ago. For my own part, looking back to 1931, I wonder how even our youthful enthusiasm was able to penetrate the prevailing gloom and pessimism of those days. The older among us will always remember the early thirties, when the economic framework of our society was at the point of collapse and the Marxian prophecy seemed about to be fulfilled. For hundreds of thousands of Canadians, existence was meagre and uncertain - and the prospect grim indeed.

In 1931 - the year that the Junior Board was founded - Canada's population stood at just over 10 million. Almost half a million of the country's wage earners - nearly one in five - were out of work on June 1st of that year. The gross value of all Canadian production had fallen to just over \$4 billion - only 60 per cent of what it had been two years before. (It was to fall even lower in 1932). Our export trade - then as now the mainspring of the Canadian economy - had shrunk to little more than half its 1929 level.

A few figures cannot begin to recreate the bleakness and depression of the thirties. But they can help us to appreciate how far and how fast we have come in twenty-five years. So that now we can affirm with confidence that the faith in the future of our city and our country that underlay our efforts then has, in the event, been amply and dramatically justified.

As the thirties wore on, the grip of depression eased. Slowly but steadily Canada resumed her economic growth.

Internationally, through agreements with the Commonwealth, the United States and other countries, steps were taken to open the way for an increasing volume of external trade. Canadians took an active part, too, in the conferences of this period by which nations sought co-operative means to shake off world depression. On the international political scene the pace was slower; Canadians were feeling their way. Our country had but recently acquired the full trappings of sovereignty. There was no great desire among us that Canada should play a significant part in the affairs of the outside world. True, we watched with anxiety the ominous march of events in Europe and the Far East. But few of us thought our young country had much to contribute to the debate that accompanied the gathering storm. During the anxious thirties most Canadians - like most Americans - had little stomach for more than their own troubles.

In September 1939 Canada - like the other peaceful nations - was sadly unprepared for the fury of the Nazi onslaught. But, as in 1914, the second great challenge provoked a response which opened a new chapter in the history of this country. From Canadian farms, forests, mines and factories poured the mounting volume of resources so critical to the Allied effort. Our naval and merchant forces, our soldiers and airmen brought new distinction to the name of Canada in almost every arena of the global conflict. As the war went on, Canadian representatives participated increasingly in the decisions that marked the road to victory for the Alliance.

When the fighting was over, Canada had taken a new place among the nations of the world. In the post-war period, she confronted new and larger responsibilities.

From its very beginnings, Canada has given full support to the United Nations in its many and varied activities in co-operation between nations and in the great effort to work out a more permanent and stable basis for world peace. From an early stage more conscious than most countries of the importance of external trade, Canada has taken a leading part in efforts to remove the barriers to multilateral commerce and has made a real contribution to the developing stability of the free world economy.

Looking back over these past twenty-five years, we have much to be thankful for, and a record of national accomplishment in which we may take some pride. A gross national product which last year reached the record level of over \$26 billion is in striking contrast to the bare \$4 billion of 1931. Today employment is high and the prospects are for further steady increase. Personal income in 1955 rose by almost

10 per cent over the previous year. Recently, your distinguished guest of last year, the Minister of Trade and Commerce was able to say - "all key indicators of economic activity point upwards and the underlying market forces continue strong."

Since the thirties the base of the Canadian economy has broadened and deepened. And the benefits of our increased production are being more widely and fairly distributed among our people. In these twenty-five years our population has increased by more than half and we are now some sixteen million in place of ten. Even our geographical boundaries have been thrust out and the grand design of the Fathers has been filled in by the addition of our tenth province. Great wealth and effort has been invested - by ourselves and by others - in exploring and developing large new areas of the inheritance with which we Canadians have been so richly blessed.

This remarkable national experience - in which we have all in some way shared - has touched the imagination of the world. It has also, I believe, induced a new sense of assurance and self confidence among Canadians.

But the pace of material development, these past twenty-five years, has been so rapid and the change in our fortunes so marked, that I sometimes wonder whether we ourselves are managing to keep up with it. Are we Canadians adjusting ourselves as we should to the quite new situation of our country? Does our attitude toward other nations and other peoples always display the maturity, the responsibility and sense of proportion befitting our increased wealth and stature? For whether we like it or not, we Canadians have reached man's estate and, in our international demeanour, can no longer permit ourselves the irresponsibilities of youth. We are no longer in the wings; we are on the stage, in the spotlight with the other players.

Nowhere is this change more remarkable, nor its consequences more significant, than in our relations with the United States.

Most Canadians have a fair idea of how important these relations are. They know that the United States is at once our best customer by far and our principal source of supply and that our trade with the United States is greater than with all other nations combined. They know from experience that what happens in the American economy is reflected, and reflected pretty soon, in their own. And every Canadian is quite certain that, for good or ill, the destinies of the two countries are mixed up together, inextricably and forever.

In the last twenty-five years the United States, too, has been going through a period of enormous change and development. While the Canadian population has increased from 10 to 16 million, that of the United States has risen from 123

to over 165 million. Their gross national product, some \$60 billion in 1931, came close to \$400 billion in 1955.

But - as in our own country - still more significant changes have taken place in the American scene - changes which cannot be measured by statistics.

You will all remember how Americans used to be blamed for failing to shoulder their just share of international responsibility. You will recall some of the familiar charges - heard in Canada as well as abroad: the United States had scuppered the League her own President had founded; the United States was not behaving responsibly in her international financial dealings; the Americans couldn't manage their own domestic economy and were dragging the rest of the free enterprise system down with them.

Whatever validity there may have been in such criticisms twenty-five years ago, surely they have little relevance today. Consider the change wrought in less than a generation. The United States has had thrust upon her a degree of world responsibility that is probably without parallel in history. The manner in which the American people have accepted this heavy load should command the respect and gratitude of free men everywhere - and perhaps of Canadians most of all. For it is particularly fitting - and somewhat sobering too - for Canadians to remind themselves of what the free world owes to their giant neighbour.

It was the vast material and manpower resources of the United States, poured unstintingly into the great hopper of the Alliance, that finally turned back the forces of aggression in World War II. It was American money and goods - over \$30 billions worth, through the Marshall Plan - that made possible the quick and impressive recovery of the shattered economies of Western Europe. Without American support and enthusiasm the United Nations - with all its weaknesses, the embodiment of mankind's best hopes for peace - might never have been born. It was the decision of the United States to retain substantial forces in Europe after the fighting was over that choked off the threat of new aggression. It was the United States participation in NATO that helped to consolidate the resources of the Atlantic Community, into the main bulwark of peace in Europe. It was the United States, with the moral backing and material support of other U.N. members, that bore the brunt in checking Communist aggression in the Far East. And now, throughout most of the free world, the United States is powerfully committed and American forces and influence are deployed for the defence of freedom around the globe.

In the many organizations developed since World War II for international economic co-operation, the United States has taken a leading part. And she has borne the major share of the costs involved. Through United Nations agencies and in other ways, including the Colombo Plan, American economic assistance has been the main element in aid programmes to the under-developed areas of the world. United States imports have quadrupled since before the war and, although their merchandise exports are higher than their imports, it will come as a surprise to some that the total of U.S. payments, including economic aid, has been of such magnitude that, during the last few years, the rest of the world has been adding to its gold and dollar assets at a rate of over \$1½ billion a year.

At home the continued high level of American production has been reflected in increased economic activity throughout the free world. This high level of activity is a substantially different thing from the boom which developed in the "free wheeling" days of 1929. Throughout the past year, the United States Government has actively intervened with monetary and other measures in a conscious effort to ensure that extremes were avoided, and that the economy did not get out of hand. A close look at recent trends shows a remarkable record of sustained growth and expansion with accompanying price stability. Particularly impressive is the quiet feeling of confidence that, although all may not be plain sailing ahead, government and business can and will act to ensure that the U.S. economy maintains a reasonably even keel.

Yes, the strong, confident giant alongside us in 1956 is very different to our worried and inward-looking neighbour of twenty-five years ago - and we should be very grateful for it.

Familiar as we are, in most ways, with our friends across the border, I think that, sometimes, we Canadians do not take fully into account the radical changes over this period in both our countries. (Incidentally, the same can be said of certain American attitudes about Canada). For it is so very easy in one's thinking to fall back into outmoded patterns. The self-centred, self-satisfied, aggressive Uncle Sam is a familiar figure in Canadian history. And a critical, even hostile attitude toward things American finds many echoes in earlier epochs of our Canadian story.

But the inclinations and prejudices of former days have little relationship to present realities; nor should we allow them to determine our current opinions or behaviour. We have lived to see the firm establishment in our northern half of this continent of a strong and sovereign Canada, taking her own independent place among the nations of the world. We have lived to see our great neighbour's vast power and influence deployed throughout the world at a time when the foundations of

freedom were everywhere threatened. Let us, therefore, give full weight and recognition to these great changes and, in our relations with these people, eschew all pettiness and suspicion, all ill-considered and facile criticism and deal with our differences in an adult, responsible manner. To do otherwise is unworthy of our own station - and, incidentally, plays directly into the hands of those who would divide us.

All this is not to say that the policies of the United States and the actions of Americans should be immune from Canadian criticism and even attack. That would not be possible, even if it were desirable - which it is not. In the conduct of our relations with one another the process of responsible public discussion and free criticism is as vital as it is in our own domestic affairs.

Nor do I intend to convey the impression that there are no differences between Canada and the United States - no irritating and at times frustrating administrative tangles for example - no divergencies of viewpoint and policy, no conflicts of national interest. Of course there are, and I spend a good deal of my time and effort, as do my colleagues at your Embassy in Washington, in trying to deal with just such problems. There are - and probably always will be - some cracks in the structure of our partnership. But in no sense do they threaten the essential strength of the edifice. And I would not have them papered over.

No, my plea is neither for embarrassed silence nor meek consent, but rather for a sense of proportion and responsible gravity in our attitude toward the United States. If we are shocked by some proposals in Congress, some action by the Administration which, for example, may threaten our commerce in some particular, let us by all means complain and protest and do everything in our power to dissuade U.S. authorities from such courses. But let us at the same time remember that twenty-five years ago the Smoot-Hawley Act established the highest tariff rates in history - and that we have come a long way since then. If we are puzzled and worried over policies of the United States in the Far East or elsewhere, let us by all means make our own position clear and do all that we can, alone and with our other allies, to bring the Americans to our point of view. But at the same time let us not forget that it is the armed force and authority of the United States that constitute the principal bastion and support of the free world and the major deterrent to aggression.

The objectives of the United States and Canada, the major standards and ideals of the American and Canadian peoples - the great essentials; these by tradition and by choice are the same both sides of the border and, please God, will remain so. Let us then in the multitudinous dealings we have with each other - on this North American Continent and beyond - so conduct ourselves that the next quarter century will add still greater strength, still closer friendship and still more confident mutual understanding and respect to the unique association of our two nations.

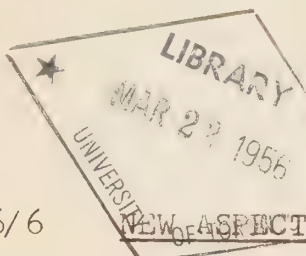
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No. 56/6

NEW ASPECTS OF INTERNATIONAL COMPETITION

Address by the Secretary of State for External Affairs, Mr. L.B. Pearson, to the Canadian Red Cross Society, Toronto Branch, Sunnybrook Hospital, March 12, 1956.

As a Canadian, and as the Secretary of State for External Affairs, I have many reasons to be grateful to the Canadian Red Cross Society, and for being honoured by this invitation to speak to you this evening at Sunnybrook Hospital, where one phase of the generous and effective work of the Canadian Red Cross Society is so well illustrated.

I suppose that most Canadians are inclined to think of the activities of the Red Cross, whether within Canada or abroad, largely in terms of the immediate and efficient relief which the Red Cross is prepared to furnish at a time of disaster at home or anywhere in the world. This is, of course, a vital part of the activities, both of the Canadian Red Cross Society and of the International Red Cross. But it seems to me that the Canadian Red Cross Society should perhaps be better known for the unspectacular but essential work which its officers and members, almost all of them volunteers, are performing quietly throughout this and other countries, bringing aid where aid is needed, and performing a great variety of services whose recipients have only one right and only one qualification - their need for help and for compassion.

The work of your members in visiting hospitals and helping veterans and their dependents: your work in blood transfusion services: your nursing and other welfare services: all these and many other services deserve our recognition and our gratitude.

In my capacity as Secretary of State for External Affairs, I have, of course, for some years been brought into special contact with the work of the International Red Cross, and with the Canadian Red Cross Society in its international

operations. Of these matters I can speak with some direct knowledge. Therefore, I should like to take this occasion to express my gratitude for the unfailing co-operation which we in the Department of External Affairs have had from our Red Cross in its administration of designated funds for international relief. I would be puzzled to know how we would be able to provide efficient and quick relief to disaster areas abroad were it not for the experience, skill and devotion of the Red Cross people on whom we have come to rely.

In brief, the Canadian Red Cross Society and its international associates are performing a humanitarian service which could not possibly be supplied by purely governmental action. In their work, whether on a national or an international scale, the Red Cross Societies illustrate strikingly what we are convinced is one of the greatest sources of strength of the democratic system - the voluntary co-operation of public-minded citizens. There is - and there can be - no substitute for this. It is an essential basis of our democracies. It deserves our full and whole-hearted support, in every way.

This brief but grateful reference to the work of the Canadian Red Cross Society and of the International Red Cross, which is concerned with aid and assistance in so many parts of the world, brings me to a matter of great international importance about which I should like to talk to you for a few moments. This is the entry, with vigour and verbosity, of the Soviet leaders into the field of economic competitive co-existence, one aspect of which - and this is the particular phase of this subject I want to deal with - consists of alluring offers of help to materially under-developed countries, especially in Asia. This reflects a change of Soviet tactics, if not of policy, which is seen also in other fields. There is more emphasis now on "pulling" rather than "pushing" other peoples into the Communist orbit. This should cause us to reappraise our own policies and attitudes especially to those countries of Asia to which the Soviet Union is now directing its attention.

Active Soviet interest in the field of foreign aid and technical assistance is comparatively new. Before 1953, Russia's foreign aid was confined to communist countries, especially China, which had received considerable help in loans and technical assistance. Until 1953, the Soviet Union was too preoccupied with its own domestic development and its militant designs against Western Europe to use technical and economic assistance to Asia as an important instrument of policy. However, toward the end of that year there was a change, and since then Soviet Union offers of help to non-communist under-developed areas in Asia and elsewhere have increased very rapidly. This Soviet economic-political

intervention in international affairs has important implications for us in the Western world.

We will not understand this development unless we realize the significance of the emergence since the end of the last war to complete political independence of a group of densely populated former colonies in Asia and Southeast Asia. As a consequence of their new political and international status, these countries have come to realize as never before the great gulf which separates their economies and their standard of living from those of the more technically advanced nations in the Western world. Their leaders, in a new spirit of national pride and confidence, have turned with dedication and determination to the vast problems of eradicating starvation, disease and ignorance which for so long had been the accepted lot of their fellow-countrymen. It is accepted no longer.

To solve these problems, they needed guidance and help in a wide variety of technical and scientific matters; as well as capital assistance. They could not secure these completely from their own resources. The normal methods of acquiring sufficient capital were not open to them, since the savings from one year to another were either slight or negligible; and, in view of the rapidly rising populations, to withdraw resources from consumption would have imposed severe hardship on standards of living already extremely depressed. So Canada, together with other member states of the United Nations, have tried to help by providing capital and technical assistance and in other ways. This effort has been strongly supported by most of the nations of the world, with the noteworthy exceptions, until just a little while ago, of the countries of the Soviet bloc. These latter took little interest in the activities of United Nations Social Economics and humanitarian agencies in this field, contributed little or nothing to their support, and criticized and depreciated their work. Support for them was left to the free nations of the world. In addition, of course, Canada, together with other members of the Commonwealth, financed the Colombo Plan in which many important countries outside the Commonwealth, notably the United States, now also participate. There were also other arrangements for economic assistance.

It has been upon this stage of international co-operative effort that the Soviet Union and its satellites have somewhat unexpectedly appeared, and have begun to play a role which, while more effective as yet in the field of political propaganda than actual aid, has, nevertheless, important potentialities for good or evil. These communist newcomers possess very great resources and their achievements

and capabilities in technical matters and in the sciences are far greater than many of us realize, or wish to realize. I wish that we could whole-heartedly welcome this new source of contribution to the world Community Chest. The task that remains to be done is enormous and it needs the mobilisation of the world's entire resources. We would, however, be happier about accepting the Soviet Union as a new convert to the practice of co-operating with the rest of the international community in foreign aid and technical assistance, if we could be assured that the communist empire would be willing to abide by the rules which are generally accepted by those countries which have been trying to do their share in this field for some time.

Although a late starter in the field, and whatever its motives may be, the Soviet Union seems to be trying to make up for lost time. Already they have made important economic deals with Egypt, India, Syria, Indonesia, Afghanistan, Burma, the Sudan and Yemen. These various offers and proposals have been made with such shrewdness, and have often been so tied up with political appeal, that they have received publicity in the under-developed countries out of all proportion to their importance in economic or assistance terms. The Soviet Union has been trying with skill, determination and irresponsibility - and with too much success - to get the maximum of political advantage from its operations; in certain areas it seems to have gained more popular approval from its more offers than the West has gained from its much more generous plans and its far greater accomplishments over a much longer time.

The fact is that in entering into this phase of competitive co-existence, the Soviet Union has some important immediate advantages in its favour.

its leaders control vast resources, both human and material, which they can use for political or other purposes without any Parliamentary or popular restraint whatsoever. Their worries about public opinion are inimical. If political advantage so indicated, they could export, and in the past they have exported, food and other materials even if their own people were in short supply. They can, and do, in negotiating trade or commercial arrangements, make loans on easy terms without regard to economic considerations, and they have provided capital goods at less than cost price. They are also prepared to accept commodities from their customers abroad, even though these commodities are of no great importance to them. Whatever commercial losses the Soviet bloc countries may incur in such deals are considered to be more than counter-balanced by any immediate or long-range political advantage. The Soviet Union can also accept and use many of the surplus raw materials which

the under-developed countries are anxious to sell - for example rice, cotton, sugar and beef - while in the West, we have our own serious surplus problems. The Soviet bloc is, in fact, entering into the field of competitive co-existence in economic matters with many points in their favour and at a time very favourable to them.

The Soviet leaders also have no difficulty in organizing and conducting programmes of technical assistance. Although the Western countries, including Canada, have sent to many countries of the world experts in a wide variety of technical matters, this part of our technical assistance programme has not been easy. It has been hard to secure qualified men. Much has been heard lately in the United States and Canada about our increasing lack of technical experts, and for the need to increase very considerably the number of technical and scientific graduates from our universities. In general, both for the Colombo Plan and for the various schemes of technical assistance directed by the United Nations, we have probably not been able to supply more than half the requests sent in for expert advice, or for students to receive technical training in the West. We operate in this as in other fields on a voluntary basis. This involves certain difficulties which the Soviet leaders do not have. Their technical or engineering experts are simply directed to go where ordered, and to stay there until told to come home.

In this way the Soviet leaders enjoy an advantage in what might be termed their communist missionary work abroad. They have only to decide what it is in their interest to do, and they can then give effect to their decisions.

It is, therefore, much easier for them than it is for us to make offers which sound very generous, not only to send their technicians abroad, but also to train technicians from those countries in Russia. The technical training of these trainees will be thorough. So will the communist indoctrination to which they will be exposed and which may be the main reason for inviting them. There will never be any difficulty in finding room for them in Soviet institutions.

Another important advantage which the Soviet leaders enjoy is the undoubted anti-colonial feeling which still prevails and will prevail for a long time in many of the important countries of Asia. The Russians, ignoring that they are at the present time themselves the world's greatest colonial power, claim constantly and insistently that all of the ills of the former colonial possessions, whether in low health standards, inadequate food, and lack of technical progress; or floods or droughts or failure in football, all

these are to be attributed to the earlier administrations of the capitalist colonial powers. They contrast this with the boasted achievements of the Soviet Union, whether in science, technical progress, or the arts; all of which they falsely claim stem entirely from the revolution of 1917. The implication is that what Russia has done in less than forty years of communism, other countries can also do. For this purpose, they should be sensible enough to negotiate special trade assistance pacts and accept technical advice from the Soviet Union; aid given, so they claim, without any political strings attached whatsoever; no pressures to join regional security organizations or to lease bases, or to restrict their trade with other countries in certain commodities. All these pressures, so they try to point out, are left to the capitalist and "colonial" powers which had oppressed them in the past. Nor should we dismiss this appeal as absurd because we know it to be distorted and dishonest.

From all this you will, I think, realize that the entry of the Soviet bloc into the arena of competitive co-existence in the economic field is certain to provide us with many difficult problems.

We will also make a grave mistake if we assume with excessive self-confidence that these Soviet promises and pretensions will soon be exposed because they will not be able to make good their offers of trade and economic aid to the under-developed countries. They may be more successful in this regard than we expect.

We can, in any event, be quite sure that the Russians are sufficiently astute to gain the greatest possible political advantage from their various operations abroad, while insisting that what they offer and what they are prepared to do comes in a spirit of pure and unconditional benevolence. In short, we in the West are facing a long and difficult period of competitive co-existence in this as in other fields. The competition will be formidable in extent, and astute in its planning on the other side and is not likely to be conducted under Marquis of Queensbury rules. And the Communists think that they are going to win it.

One of the leaders in Russia told me when I was there last autumn that it was his conviction that we in the West were a pretty soft lot, and that we could not endure nearly so well as the Soviet people the rigors and the sacrifices which this competitive co-existence would involve. Indeed, this seems to be one of the strong convictions of the directors of Soviet policies. We should have no doubt that they will do everything within their power, short of atomic war, to prove that their convictions are valid, and their confidence justified.

What then, can we in the West do, and what must we not do, in meeting this new and serious challenge:

- (a) We must continue to supply, and even increase, economic and technical aid for the under-developed areas. We should not attach political strings to that aid of a kind which would neutralize its value and prevent its good reception. We cannot purchase reliable allies or real friends among the peoples we are co-operating with and helping, and we should not try to do so.
- (b) We should not in our wisdom urge our friends in the technically under-developed areas of the world to reject out of hand offers of aid from the Soviet bloc. They will themselves have to assess and avoid the political or economic perils which may be involved. We must count on the good sense of the leaders of these peoples to make the necessary distinction between the type of aid being given by the Western world and that offered by the Soviet bloc. We must by our own policies ensure that this distinction is not only clear, but in our favour.
- (c) We must not enter into any kind of auctioning competition with the Soviet bloc, attempting to match or to out-bid their offers, and so be drawn into enterprises which may not be in themselves desirable. We can never hope to heat the communists in promises.
- (d) It is also very important, I think, that the United Nations should be brought more closely into the international economic assistance picture; as has recently been suggested by the U.N. Secretary-General and others. This will be the best way of establishing the bona fides of those who wish to participate in this work.

I do not mean by this that all mutual assistance programmes should be administered by the United Nations. True, the present U.N. programmes are being effectively handled, without political or strategic considerations getting in the way, and they deserve more support than they are receiving. There are, however, things like the Colombo Plan, operated outside of, but within the spirit of the United Nations, which should be continued as they are.

What I would like to see is an agreement between all nations contributing to any form of international assistance that they would submit all their plans and policies in this

field to the United Nations, where they could be examined, made public, and co-ordinated; where any suspicion that they were being used for political purposes could be challenged; and exposed as true or false.

This procedure would have the advantages of letting the world know what was being done, and by whom. It would separate the propaganda chaff from the wheat. It would also expose the motives of any nation which refused to co-operate with the United Nations in this way.

Careful consideration should also be given, as I have indicated, to further concrete support for United Nations schemes now actually in operation, and to any new proposals which have been or may be put forward. If the Soviet Union is sincere in its insistence on the peaceful character of its challenge to competitive co-existence, it might begin by doing something really worth while to help these United Nations assistance programmes.

- (e) In addition to capital assistance, the West also enlarge, improve, and make more international, the present arrangements for the provision of necessary technical and scientific experts for service in materially under-developed areas.

With our present procedures it is clear that we shall never have enough of them to meet in time the pressing need.

Why should we not consider establishing an International Professional and Technical Civil Service under the United Nations, with experts specially trained for work in these under-developed areas?

- (f) Furthermore, in our preoccupation with what should be done, we must not lose sight, of course, of why it should be done. "Know why" is as important as "know how". Western motives in these aid activities may include considerations of enlightened self-interest which need not be at all unworthy. But it is true that in the Western world we are sincere and genuinely altruistic in our wish to help those who are less fortunate than ourselves; and that we have a deep sympathy with these people who are themselves making such great efforts to improve, with their own resources, their conditions of life. We must keep it that way, for without proper motives we could make serious and unnecessary blunders which would undo the effect of all we are trying to do.

The provision of large sums of money and of a host of technicians will never automatically or satisfactorily solve the world's distressing under-development problems.

So, in providing the benefits of our more advanced techniques to the less developed areas of the world, we must do so with respect for ancient cultures, from which, incidentally, we have ourselves a very great deal to learn.

Our assistance should be given in a spirit of understanding and goodwill; and not determined by short-sighted considerations of our own political or strategic interests. On that plane, as well as on that of material support, we must meet and defeat this now Soviet challenge.

This spirit should underlie, not merely our practical assistance to these other new nations in Asia and Africa. It should govern our whole political relationship with them.

A distinguished American journalist, Roscoe Drummond, writing to his own people, but in words which apply to others as well, has put the question this way:

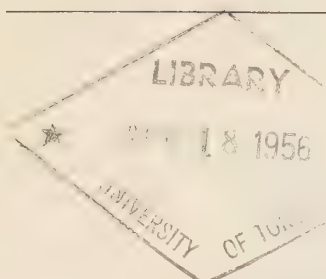
"Shouldn't our relationship with these freedom-cherishing, poverty-plagued nations be that of the most friendly understanding senior democracy intent upon helping these new democracies to help themselves deepen their roots, guard their freedom, improve their economic lot and fashion their own free nations in their own image in their own way - as we did?

The answer we give to this question will, in large part, determine whether there will be stability, progress and peace on our planet in the years ahead.

If governments can match the Red Cross in dedication, purpose, and zeal in the pursuit and achievement of noble objectives, then I think that the answer will be in the affirmative, and our hopes for a better world may one day be realized.



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INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
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No. 56/7

CANADA'S ROLE IN THE UNITED NATIONS

An address by the Minister of Health and Welfare, Mr. Paul Martin to the Women's Canadian Club of Quebec City, Chateau Frontenac, Quebec City, Quebec on March 19, 1956.

I am most happy to have the opportunity of visiting once again this historic city of Quebec which holds such an honoured place in the annals of Canada's development as a nation. It is also a particular pleasure for me to join the ranks of the many distinguished guests who, over the years, have had the privilege of meeting with the members of the Women's Canadian Club of this city.

Your Chairman has suggested that I say something about Canada's role in the United Nations. This I am pleased to do for during the last four months of 1955, my time was principally taken up with the affairs of this world organization. As Chairman of the Canadian Delegation to the General Assembly, I had the good fortune to be associated with an outstanding group of delegates. I shall not soon forget the assistance of Col. Oscar Gilbert, President of Le Soleil, whose wise counsel and understanding friendship were of inestimable value to me and to our delegation. Col. Gilbert devoted most of his attention to the work of the Second Committee which concerns itself with economic affairs and his wide experience and wise judgment were of great value in the discussion of such important questions as technical assistance and the economic development of the less fortunate nations.

This is not, of course, the first time that this city has made its contribution to the work of the United Nations. Indeed, my first United Nations assignment was in 1945 when I had the privilege of accompanying our present Prime Minister, the Rt. Hon. Louis St-Laurent, who was then Secretary of State for External Affairs, to the First Session of the General Assembly in London. At subsequent sessions of the United Nations both the Hon. Hugues Lapointe and the Hon. Jean Lesage have represented Canada on occasion and have made important contribu-

tions. I recall, too, that in 1953 at the Seventh Session of the General Assembly, I had the pleasure of working with Mme. Louis Berger of this city who served with distinction on the Assembly's Third Committee.

On August 29th last, I went to New York to represent Canada on the five-power Sub-Committee of the Disarmament Commission which, incidentally, is reconvening in London on this very day. This Sub-Committee was set up in 1954 in an effort to break the long deadlock on disarmament. It comprises representatives of the United Kingdom, the United States, the Soviet Union, France and Canada. My distinguished colleagues at last fall's meetings were the Rt. Hon. Anthony Nutting of the United Kingdom, Mr. Harold Stassen of the United States, Mr. Arkady Sobolev of the Soviet Union, and Mr. Jules Moch of France.

In the course of our discussions which extended over a five-week period and which were later carried to the floor of the General Assembly itself, it became increasingly clear that we are still a long way from complete agreement on a disarmament program with the necessary safeguards to guarantee its implementation. At the same time, it was also evident that -- perhaps for the first time in recent history -- there is now substantial unanimity among the nations on certain basic features that must be included in any satisfactory program of arms reduction.

- Disarmament must cover all types of weapons, both conventional and nuclear.
- It must be supported by adequate safeguards and controls.
- It can only be achieved in stages, carefully worked out so that, at no time, will any country have genuine cause for believing that its security is endangered.
- Any disarmament program must also include provisions for an early warning system to guard against surprise attack since it is technically impossible at the present time to ensure the complete prohibition of nuclear weapons.

Obviously, these four points provide only the barest outline for a comprehensive disarmament program but they do represent an important measure of agreement without which further progress would be impossible.

The main stumbling-block would seem to be the difficulty of establishing an effective system of controls. While the Soviet Union in its disarmament proposals has agreed with the Western Powers on the necessity for establishing a control

organ adequate to enforce the implementation of any disarmament program, its representatives have repeatedly refused to spell out in detail the various powers and functions which this organ would exercise. The Western Powers, on the other hand, have insisted that a knowledge of these details must precede any agreement on other disarmament measures.

It is not surprising that we have encountered so much difficulty in this matter of controls for it is indeed the crux of the whole disarmament problem. Not only does the proper exercise of control have important implications for the internal sovereignty of states but it presumes the existence of at least a measure of confidence and trust between nations. The problem has been further complicated by the fact -- and this is recognized even by the Soviet Union -- that the most thorough system of inspection could not, in the present state of scientific knowledge, ensure the complete prohibition of nuclear weapons.

It was in the light of these sober facts that the President of the United States, Mr. Eisenhower, proposed at Geneva last summer that his country and the Soviet Union exchange complete blueprints of their military establishments and provide each other with facilities for aerial photography within their respective countries.

Canada, and indeed the whole free world, welcomed this bold and imaginative plan as typical of a great man and of his country. There is little doubt that its implementation would greatly lessen the danger of surprise attack and would do much to establish an international climate that would make further progress in disarmament possible.

Unfortunately, the Soviet Union has not yet accepted this proposal but I would like to think that they have not entirely rejected the conception. A hopeful sign perhaps is the reported reaction of the Soviet Premier, Mr. Bulganin, to President Eisenhower's latest suggestion that -- assuming the satisfactory operation of an air and ground inspection system -- steps be taken to ensure that future production of fissionable materials would not be used to increase existing stockpiles of nuclear weapons. It is certainly to be hoped that the resumed meetings of the Disarmament Sub-Committee that are beginning in London today will reach some measure of agreement on this and other proposals that are before it for consideration.

The United Nations has wrestled with this question of arms reduction ever since its inception ten years ago. In fact, the first Resolution ever passed by the General Assembly, which called for the establishment of an Atomic Energy Commission, concerned itself with the subject of disarmament.

These efforts have now taken on added urgency with recent scientific advances in the development of intercontinental

ballistic missiles which will be the nearest thing to an "ultimate weapon" yet projected. These missiles, which would travel high in the ionosphere at 10 or 20 times the speed of sound, would be ominously different from anything yet conceived in the mind of man. The perfection of such devices would not only provide the means of delivering atomic and thermonuclear weapons almost instantaneously to any part of the world but would involve the nations in an arms race on a scale even vaster than those of the past.

We have already seen the results of our failure to control the development of atomic weapons at a time in their evolution when effective control was still a technical possibility. Surely we ought to learn from this bitter experience and take steps now to control the development of these weapons of the future while there is still time. His Holiness Pope Pius XII in his last Christmas message, when he put forward three points that paralleled closely the Western proposals made during the General Assembly debate, warned the world of the cataclysmic destructive possibilities of future warfare in these words:

"There will be no song of victory, only the inconsolable weeping of humanity, which in desolation will gaze upon the catastrophe brought on by its own folly"

While our talks in the Disarmament Sub-Committee were still in progress last fall, the General Assembly of the United Nations convened for its tenth annual session and for some time I had to divide my attention between the Sub-Committee and the work of the General Assembly itself. I might say that I was greatly assisted in the work of the Assembly by the help of two of my colleagues, the Hon. J.J. McCann and the Hon. Roch Pinard who were valued members of the Delegation.

Some idea of the wide range of subjects which was considered at this anniversary session may be gained from the fact that its agenda, as finally adopted, included no less than sixty-six different items. Of these, perhaps the most important were disarmament itself, the peaceful application of atomic energy and the admission of new members.

The efforts of the United Nations to speed the peaceful development of atomic energy date back to December 1953, when President Eisenhower appeared before the General Assembly and made a dramatic proposal to help solve the world's fearful atomic dilemma. He proposed the establishment under the aegis of the United Nations of an international agency to coordinate the peaceful application of atomic energy in the fields of agriculture, electrical energy, medicine and other humane pursuits.

The Government of Canada welcomed this generous and far-sighted proposal put forward by the President of the United

States, and at the Ninth General Assembly in 1954 co-sponsored a resolution to help give effect to the Eisenhower plan. This resolution won the unanimous support of all sixty member nations.

In addition to expressing the hope that an International Atomic Energy Agency would be established without delay, the 1954 Resolution called for a scientific Conference on the Peaceful Uses of Atomic Energy. This conference was convened at Geneva last August and was one of the largest and most successful scientific meetings ever held. Since the origins of atomic science are international, one of the most valuable features of the Geneva scientific conference was the opportunity it gave to nations with large and long-established atomic energy programs to repay their debt to international science by making information acquired in secrecy during the past fifteen years available for the benefit of all.

In the light of this encouraging progress, the Tenth General Assembly took another important step forward in implementing the Eisenhower plan. It adopted a resolution -- again unanimously -- calling for the establishment of a negotiating committee, consisting of representatives from twelve nations, to consider the draft charter for an International Atomic Energy Agency which had already been drawn up by eight Western nations and circulated for comment to all members of the United Nations.

Perhaps the most fundamental question to be considered by this Committee -- which began its deliberations in Washington earlier this month -- is the relationship of the proposed Agency to the United Nations. It must decide whether the Agency will report to the Security Council and so be subject to the paralyzing effect of the veto -- as the Soviet Union has proposed -- or whether it will be a semi-autonomous body having a relationship to the United Nations similar to that of the Specialized Agencies like the World Health Organization.

The recommendations on this and other questions that are made by this twelve-nation negotiating committee will later be considered by a wider conference attended by representatives of the many nations that might be expected to participate in the work of the Agency.

In addition to laying the groundwork for international co-operation on the peaceful uses of atomic energy, the Tenth General Assembly, by unanimous resolution, set up a fifteen-member scientific Committee to make a comprehensive study of all available information on the possible effects of atomic radiation on human health. A great deal is already known concerning the health effects of radioactivity and the work of this Committee in assembling and reviewing the body of existing scientific knowledge will do much to ensure that we will not leave to future generations a legacy of ignorance on this vital matter.

In recent years there has been a slight, though appreciable, increase in radiation all over the world. The health implications of this fact, for our own and succeeding generations, warrant the most sober and thorough consideration. It must be acknowledged that some conflicting views have been expressed, but the consensus of the best scientific evidence available indicates that no significant immediate or long-range harmful effects of serious proportions will result from the increased radio activity that has occurred. Nevertheless, it would appear to me as a layman that there remain a number of unanswered questions, particularly in relation to possible genetic effects, which underline the need for the compilation and co-ordination of existing information by a body such as the new international Committee and which call for continuing research by competent scientists.

I suggest that Canada's own atomic energy program merits attention. For I believe that we have demonstrated in this country in this field, and yet establish and develop an independent national program which in quality, if not in size, is unsurpassed.

Canada's contribution of most immediate value during the war was the supply of uranium ore although we contributed as well to the basic research. Since the war, we have continued to carry out in this country a very active program to find and develop new sources of uranium supply. Besides providing raw materials, Canada has undertaken a vigorous program of research and development on the applications of atomic energy. During the past decade these efforts have been devoted exclusively to peaceful purpose -- power for domestic and industrial use and radioactive isotopes for medicine, agriculture and industry. In addition, Canadian-produced Cobalt 60 Beam Therapy Units for the treatment of cancer have been placed in upwards of thirty hospitals and treatment centres in Canada, the United States, the United Kingdom, France, Italy, Switzerland and Brazil.

We are anxious to assist other countries in getting their atomic energy programs under way and, although we cannot offer assistance on the same scale as the United States and the United Kingdom, we have already given, and intend to continue to give, every measure of help within the limitations of resources available for this purpose.

I have spoken briefly of the results of our discussions on disarmament and the peaceful uses of atomic energy. I turn now to the question of new members. The General Assembly's action last December in admitting sixteen additional states to membership in the United Nations marked the end of a decade of difficulty and division. It had given new hope to all those who share the belief that this world organization is destined to become, in the words of its Charter, "a centre for harmonizing the actions of all nations".

As one of the original members of the United Nations, Canada has taken an active part in its deliberations and has given whole-hearted support to its varied efforts to promote world peace and understanding. It was, therefore, a source of deep satisfaction and encouragement to us all that the Government of Canada was able to make some contribution to the membership negotiations, the outcome of which will undoubtedly strengthen the United Nations and enhance its influence in international affairs.

The election of sixteen additional members means in fact that there is now a new United Nations -- a United Nations of 76 instead of 60 members. Not only has the membership of the organization been increased by one-quarter, but representation has been given for the first time to more than 150,000,000 of the world's peoples from the four corners of the earth.

Historic European nations like Spain, Portugal and Finland will take their places around the world conference table for the first time. Italy with its ancient legacy in literature and the law, and Ireland, island home of poets and singers, will add their voices to the discussion of world problems. The new states of Laos and Cambodia will sit down side by side with Austria, one of the great centres of old-world diplomacy. Then, too, there will be representatives from the Arab kingdoms of Jordan and Libya and Asiatic states like Nepal and Ceylon, the birthplace of the Commonwealth Colombo Plan.

We approached the membership question in the only way that would be consistent with the ideals of a Christian and democratic country. For we believe that the United Nations was never intended to be an exclusive club with membership restricted to those who happen to think alike or share the same ideals and traditions. Rather it was envisaged by its founders as a meeting place to which all nations could bring their problems and receive a hearing before the bar of world opinion. And we are not ashamed to pit our way of life against those godless regimes in which individual human values are of little or no account.

We who believe in freedom know the value of frank and open discussion in solving the many problems which confront us in our community and national life. The same opportunity should be given to the nations which make up the world community. I am confident that the introduction of these new voices -- though some may be discordant -- into the councils of the United Nations will contribute to its effectiveness in dealing realistically with the many vital issues that divide the world in these troubled times.

Secondly, it must be remembered that the only way in which it was possible to break the deadlock of the past ten years was through a so-called "package deal". Because all other formulas had been rejected by one side or the other, a compromise was necessary. In order to bring into the United

Nations twelve countries such as Ireland, Italy, Austria and Finland -- nations which have political, cultural and economic ties with the free world -- it was necessary to accept the admission of four states whose governments do not, at the present time, share our belief in the validity of free democracy.

There are some who suggest that there is something sinister in an honest compromise. Surely, adjustment of conflicting views by the process of give and take is one of the mainstays of our democratic system. Here in Canada, where the descendants of two historic races live side by side in friendly harmony, we recognize that without this kind of approach to our problems, we could never have achieved nationhood or developed that basic sense of unity which is the fundamental source of our strength as a nation. The art of compromise is just as necessary in international affairs. It is only as the nations learn to approach their problems in an attitude of mutual respect and understanding that we will succeed in building a world-wide community in which a secure peace will be possible.

Finally, it should be noted that admission to membership in the United Nations carries with it the assumption of definite obligations -- obligations which go far beyond those which are normally demanded of members of the international community under the law of nations. As a people nurtured in freedom and dedicated to peace, we disapprove of the policies followed by countries beyond the Iron Curtain. But surely they are not likely to become less acceptable members of the world community as adherents of the United Nations, committed as they must be to its purposes and subject to its rules.

We have all had reason to deplore the inhuman religious persecutions which have raged practically everywhere behind the Iron Curtain and which have disposed in the most horrible manner of human beings whose only crime has been their desire to be free. Speaking for Canada, I have raised my voice repeatedly in protest against the treatment of Cardinal Mindszenti and other leaders of the Church in violation of the most elementary principles of humanity. But I have been speaking to empty benches. Now, with the admission of Bulgaria, Hungary and Roumania to membership in the United Nations, I will be able to confront their representatives face to face with these charges. I will be able to ask them why they have made these ruthless attacks on the most precious of all freedoms -- the freedom of conscience -- and why they have permitted human beings to be so crudely tried and so unjustly condemned to death. It may well be that bringing these nations to account for their actions before the bar of world opinion, this exposure in itself will prove to be a powerful deterrent to further violations of basic human rights.

It was for reasons such as this that the Canadian membership proposals received such widespread support in the United Nations. I will not soon forget the encouragement and reassurances we received from so many delegations during the course of these difficult and delicate negotiations. I recall especially the support of the Latin-American nations and, in particular, the delegation of Costa Rica headed by that vigorous and enlightened Catholic priest, Father Bengamin Nunez.

I have indicated why I believe that Canada's efforts at the United Nations in pressing for the admission of new members have once again demonstrated our faith in the value of freedom itself and in the United Nations as an instrument for its achievement throughout the world. But the United Nations alone is not enough. Impelled by the intransigence of the Soviet Union the free nations of the West have been forced to buttress their security by the establishment of a regional collective security arrangement under the terms of the North Atlantic Treaty. Indeed, our Prime Minister, Mr. St-Laurent, was one of the first world statesmen to recognize this fact and to give public expression to the NATO idea.

Canada's participation in NATO does not in any way imply that we have abandoned the United Nations. In fact, NATO was set up and operates in full accordance with the terms of the United Nations Charter. By maintaining the strength and security of the free world, we believe that we will be in a better position to negotiate solutions to the many problems that now divide the world. And, in the long run, NATO can be a powerful factor in enabling the United Nations to carry out more effectively the objectives of its Charter.

The United Nations is still in the process of evolution but it has already proved itself a potent force for good in the world. It has succeeded in keeping the peace in many troubled places where violence threatened. It has provided the only world forum for international discussion and debate. It has offered the nations an instrument for collective action to secure the peace. Finally, it remains the one place where guilt for international misconduct can be squarely assigned to the responsible parties. And now the United Nations has taken a step which has made it more truly representative of the people of the world.

To build the ideal of the United Nations is much more than to build a fine skyscraper in New York to house its organization. This vast structure of a way of life for the world is built not of marble nor of glass but in the minds and hearts of men.

For me, for every delegate who is sent to speak for the hopes and aspirations of his fellow-citizens, there can be no doubt about our resolution to make the United Nations and all its agencies serve the cause of humanity. Unfortunately, some delegates are sent by states in which individual men and women have little influence on policy. Indeed, it is this wide divergence of opinion on the rightful place of the individual human being that has created the great gulf between the free world and the godless empire of Soviet communism.

In closing, let me recall the fervent plea I addressed to the late Andrei Vyshinsky of the Soviet Union in an earnest effort to find some means of closing the gulf that now divides the free nations from the part of humanity that is held in the heartless grip of Communism:

"Cannot we remove these Iron Curtains?
Cannot we abandon these barriers which
seek to divide the people of the Soviet
Union from the rest of us?

"Cannot we recognize that the basic reality
of international politics, as of village
affairs, is the individual man and woman?--...

"It is the beginning of sanity and wisdom
to recognize that the individual man and
woman is never the personification of
categories, economic or otherwise. The
individual is nothing less than the image
of God. To the extent that this principle
is recognized, we will be on the path to
human brotherhood and the achievement of
lasting peace."

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A CANADIAN VIEW OF POLITICAL PROBLEMS IN THE NEAR AND MIDDLE EAST

An address by the Parliamentary Assistant to the Secretary of State for External Affairs, Mr. Lucien Cardin, M.P. at the Kiwanis Club, Belleville, Ontario, March 27, 1956.

The close attention which is being paid by this country and by so many other countries to events that are now going on in the Near and Middle East is a further indication of a fact that has been increasingly apparent over the last few years - the fact that none of us can be indifferent to foreign affairs, just as none of us can hope to escape their consequences. The dismissal of General Glubb in Jordan, the Soviet sale of arms to Egypt, the continued unrest and violence in North Africa, the grave differences between Egypt and Israel - all these and other matters which normally might seem somewhat remote from Canada have occupied prominent places in our newspapers over the last few months. I do not suppose that we have yet got quite used to the notion of Canada as an important international power or to the idea that an event on the frontier between Israel and Egypt might very well involve us in the gravest consequences. But both these things are nonetheless true. With the progress of communications and of transport which has been phenomenal since the war, we live in a world that has been shrinking very rapidly, and our own affairs are increasingly intermingled with those of other states, almost anywhere in the world. Increasingly too, Canada has been invited to assume a growing measure of responsibility in international affairs. We have, as you know, Canadians serving in Indo-China on the International Truce Commissions; a Canadian is supervising the U.N. Truce Organization on the borders of Israel; a Canadian is Director General of the U.N. Technical Assistance Administration; Canada has been elected to serve on the Economic and Social Council of the United Nations; our High Commissioner in London is sitting with the representatives of Great Britain, the United States, France and Russia on the Disarmament Subcommittee of the United Nations; we are taking a vigorous part

in the work of NATO and we have, of course, considerable forces on the NATO defence lines in France and Germany. We, as Canadians, therefore, are very much engaged in the business of international affairs and it seems very likely that this business will increase in its complexity and in the demands it makes upon us.

It occurred to me that you might find it interesting and even useful to consider something of what the difficult events that have been going on in the Near East mean for Canada, and might mean for us. And it has seemed to me also that it might be valuable to try to consider these varied events not as isolated examples of unrest but as parts of a much larger pattern which, in my view, makes many of these turbulent and distressing happenings more intelligible.

There are one or two important points with which I should like to deal in an introductory way. The first and the more important of these is to recall to you that since the war, that is to say, within the last ten or eleven years, very large numbers of people inhabiting old and densely populated countries of Asia have attained complete political independence - Indonesia, Burma, India, Pakistan and, in Africa, the Sudan. Malaya is rapidly approaching a state of political independence, as is the British Gold Coast, and Nigeria. All these vast lands containing so many scores of millions of the world's inhabitants have, then, within this remarkably short time, emerged from their former status as colonial dependencies, and are now seeing as best they can to their own affairs, whether political or economic.

A very considerable part of these peoples is of the Moslem faith, particularly, of course, in Indonesia, Pakistan and the Sudan, although, of course, there are large Moslem minorities in India, Burma and elsewhere. In brief, since the end of the last war, probably 200 million people of the Moslem faith have reached in their various countries the status of political independence and, as a consequence of this remarkable evolution, there have been strong and even violent reactions against any semblance of continuing colonialism, notably, of course, in Tunisia, Algeria and Morocco. The grave disorders of French North Africa should be thought of in the light of the emergence to independence of so many people of the Moslem faith in other lands, for of course the population of French North Africa is about 90% Moslem; it is not unnatural that these further millions of people should be restive, knowing as they do that so many more of their coreligionists in the East and the Far East have emerged from their former dependent condition.

The second point to bear in mind is that most of these newly-independent countries are dreadfully over-populated in relation to their existing resources, and that most of them in consequence have neither the necessary capital nor the

technical knowledge to improve their own standards of living. In consequence, both in these areas and, of course, in other parts of the world too, such as South America, the United Nations and its various specialized agencies such as the Food and Agriculture Organization and the World Health Organization have been conducting various projects of technical assistance financed from United Nations funds. Also, of course, and more particularly, to help the countries of the East and Far East there has been developed the Colombo Plan of technical assistance and to this project we in Canada this year will be giving more than \$33 million; at the same time, we will be sending Canadian technical experts abroad, and will be receiving students from these various countries to acquire scientific and technical training in Canada. A good deal therefore over the last few years has been done and more has been projected. But something new and potentially ominous has been added - the recent intervention of the Soviet Union on a very great scale in these operations of capital and technical assistance to the less-developed countries. To this I should like to refer in greater detail later.

We have seen so far, then, that since the war there has emerged a number of densely populated countries to political independence, and it might be added that these various countries have no intention of remaining in a state of economic inferiority. We have noted too that the disorders in French North Africa have to some considerable degree been prompted by this new and unprecedented surge of self-determination. I referred a little earlier to the increasingly dangerous disagreement between the Arab states and Israel. All these matters as you see form parts of the same general pattern, and the new design that has been added to this pattern has been Russian intervention in the economic affairs of the East.

What then is our concern in Canada with these matters that are taking place in countries so far removed from us? Well, first of all, we, along with 14 other countries, are members of the North Atlantic Treaty Organization, and this alliance we believe is fundamental to our security. Anything which weakens it is a direct menace to us. To deal with the disorders in North Africa, the French have had to move from the continent of Europe most of their best defence forces, and to this extent we are more vulnerable. The dispute in the Island of Cyprus between the British and the Greeks (with the Turks, of course, also involved) has involved members of NATO in unfortunate disagreements. In the dispute between Egypt and Israel, we have certain very special interests. First of all, in the deliberations and the decisions of the United Nations in 1947 and 1948 which led to the creation of the State of Israel, we Canadians played an extremely important part. The present Secretary of State for External Affairs, the Honourable L.B. Pearson, was Chairman of the General Assembly's Political Committee which arranged to send a committee of

enquiry to Palestine in 1947. Mr. Justice Ivan C. Rand of the Supreme Court of Canada was an influential member of this committee. Canada was at that time a member of the Security Council (as we may be again next year) and under the leadership of General McNaughton, the Canadian chief representative, the Canadian Delegation played a very active role in the various negotiations and resolutions which led to the creation of Israel. We have, moreover, in Canada a very considerable Jewish minority (about 1.5% of our total population) and this minority of hard-working people has been extremely generous to the members of their own faith in the new State of Israel. Not long ago, for example, they contributed one of the most important buildings to the new Jewish University in Tel Aviv. The welfare of the people of Israel and of the Arab states is threatened by the continued quarrel between them. It is essential, therefore, that a solution to this problem be found. On this point I might refer you to a statement by the Honourable L.B. Pearson in the House of Commons on January 24th of this year. In dealing with the crisis in the Middle East, Mr. Pearson spoke as follows:

"We can sympathize with and understand the fear felt in Israel when they hear across their borders threats of destruction; and, of course, the United Nations did not establish the State of Israel in order to see its obliteration. Similarly, we can understand the feelings of Arab peoples at the alienation of land which was occupied by Arabs for centuries; we can sympathize with the sufferings of the many thousands of Arab refugees who have been made homeless. But surely to both sides the advantages of a confirmed and secure peace, instead of the present condition of precarious armistice, are so great both economically and politically that a negotiated settlement should not be impossible...

"The important question is, however, how can an honourable and satisfactory solution be brought about? The main issues are now commonly known. It seems clear that both sides, if they recognize the desirability of a settlement, must give something to achieve it, must make some compromise. There can never be a negotiated settlement where one side or the other remains adamant. Each must enter into negotiations prepared for some sort of give and take although, of course, no one would expect one of the sides to make prior or unilateral concessions.

"It seems to me that an essential, indeed, a first requirement, is that the Arab states should recognize the legitimate and permanent existence of the state of Israel. That, as I see it, necessitates abandonment by them of the impractical stipulation that we must return to the United Nations resolutions of 1947 which provided for a divided Palestine. The Arab states took up arms to prevent these resolutions becoming effective and I do not see how they can claim the right to have them accepted now as the price of

peace in that area. The people of Israel have the right to know that their national existence is not at stake. That seems to me to be fundamental. Efforts to bring peace and all its benefits to the Middle East will be of no avail unless Israel and the people of Israel are released from the over-hanging fear which naturally envelopes the country as a result of the threats of destruction and of the political and economic warfare directed against it by its neighbours. Deep fear leads to desperate acts which, though they cannot be condoned, may at least be understood. Surely it is essential, therefore, that this basic cause of fear must be removed if there is to be a solution of the Arab-Israeli dispute.

"Just as we should like to see Israel freed from the fears and economic pressures which are being imposed on her, we must also hope that the Arab populations will be enabled to move forward toward their goals of economic betterment and social progress. There have, indeed, been concrete proofs that this is the hope of the west...

"The Arab states on their part are, however, entitled to certain assurances. There must be a fair and honourable solution to the problem of Arab refugees. That is a subject which my Hon. friend touched on the other day. The unhappy plight of these refugees is of serious concern not only to the Arab countries and to Israel because it poisons their relations but also, for humanitarian and political reasons, to the whole free world. These unfortunate people have largely been maintained by the United Nations, and Canada has contributed its share toward their support. But that cannot go on much longer. Shelter and a dole are pitiful substitutes for a permanent home and opportunities for gainful work. As I see it, some compensation should be paid these refugees by Israel for loss of land and home. But it is clear that so large a number cannot return to their former land, which is not in the State of Israel whose total population is less than two million; nor in all probability would many desire to live in what would now be to them an alien country. A limited amount of repatriation might be possible such as that which would be involved, for example, in the re-uniting of families. For the rest, resettlement of an international operation, to which Israel among others would make a contribution, seems to be the only answer."

It seems apparent, then, that to help maintain peace in the near East, we may well be called upon to assume grave responsibilities. I would remind you of my earlier observations on the fact that we Canadians are deeply involved in these matters and that we cannot be indifferent to them. Our membership in the North Atlantic Treaty Organization and in the United Nations forms the cornerstone of our foreign policy, and this membership has brought to us not only a community of safety and of interests with our allies, but also duties which we cannot reject.

The Western power, whether Great Britain, or France, or Italy, or Denmark, or Norway, or the United States, or ourselves, have decided that our security is a community enterprise and that none of us can be secure without the others. Hence it must follow that the interests of Great Britain and France are partly ours, or even largely so, and that a threat to any of our allies becomes perilous to ourselves.

I should like now to return briefly to the point I was making above that the recent intervention of the Soviet Union into the fields of capital and technical assistance confronts us with new and possibly dangerous dilemmas. Until about a year and a half ago, the Soviet Union showed no particular interest in providing capital and technical assistance to underdeveloped countries (apart from China). But beginning toward the end of 1953 and continuing at a pace accelerated particularly since the autumn of 1955, the leaders of the Soviet Union have shown a very great interest and a very great activity in these matters. There has been, of course, the familiar arms deal with Egypt; the offer of a \$100 million steel mill to India; even Pakistan, one of our best friends in the East, has sent a trade mission to Moscow; and in so small a country as Yemen in Southeast Arabia the Russians have made an agreement to exchange Russian machinery for coffee, cotton and dried fruit. The Russians are active in Indonesia and Burma and it may be expected that this Russian economic penetration will continue and will provide us with increasingly severe competition. We must of course remember that the Soviet leaders can do for political purposes what they wish, without any sanction from a Parliament, and that they are quite prepared to make uneconomic agreements for the sake of gaining political advantages. The Russians throughout the Middle East have made very generous offers to bring in to Russia young students for training in scientific and technical matters, and we must not delude ourselves into thinking that this training will not be thorough. The Russians too can provide on a very great scale technical assistance to the underdeveloped countries, and have no difficulty in finding the necessary scientific and technical experts, who are simply instructed to take up their duties abroad, in a manner with which of course we of the Western world with our notions of freedom cannot compete. Into the turbulence of the Near and Middle East there has been injected this new and powerful element - the obvious Russian determination to try to outmatch us in the provision of capital, of capital goods and of technical assistance in a wide variety of fields.

This then, in brief, completes the pattern of which I spoke to you a little time ago - the emergence of the new countries (many of them Moslem) to independence; the reaction of this emergence upon the Moslem overseas possessions of France; and, finally, the appearance of the Russians upon this stage, prepared to exploit the long existing sentiments of anti-colonialism and the very great need for technical

assistance. We should, it seems to me, try to consider these problems as one whole and the essence of these problems is what we are going to do when faced, as we are now, with this intense Russian competition for the goodwill of people whom we would like to have and whom we need as allies.

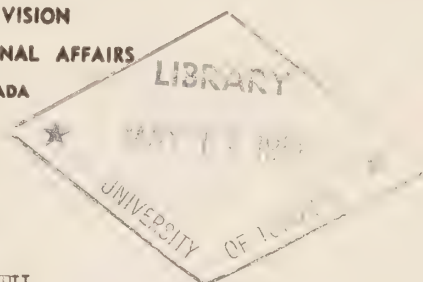
I do not think that anyone, whether in Ottawa, or in Washington, or in London, or in Paris, has a ready-made answer to this problem. It seems evident that we must be prepared for long and serious competition with the Russians, and it must be admitted that they have many immediate advantages in their favour - vast resources which can be used precisely as their leaders direct, and a hungry one-third of the world which may not be sufficiently mature to enquire into the motives of its benefactors. Already, for example, it seems evident that on the basis of a few promises, and not very much else, the Russians have won a considerable propaganda victory; it seems equally evident that they are prepared to stir up any sort of mischief in the East which will bring trouble to the Western alliance of free nations. We must clearly remain united. We must remain strong, and probably we must be prepared to be much more generous to those areas of the world which have long accepted starvation, disease and ignorance as their normal lot. It is quite certain that they are prepared to accept these conditions no longer, and that whether on a basis of humanity and kindness or on one of enlightened self-interest, or on both, we must be prepared to do much more than we have considered doing in the past.

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No. 56/11

DEFENCE AND THE NORTH

An address by the Minister of National Defence,
Mr. Ralph Campney, to the Empire Club of Toronto,
Toronto, April 12, 1956.

The time is long past when any one nation can, by itself, guarantee the peace of the world. But the time now is when one nation might quite easily, by itself, destroy the world. Such has been the development of unprecedented, almost unbelievable powers of destruction within the last few short years.

What we choose to call conventional weapons have been overtaken by atomic possibilities, and atomic possibilities are now themselves quite overshadowed by thermonuclear weapons.

And no one should confuse atomic with thermonuclear weapons. Thermonuclear weapons are as much more devastating than atomic weapons in their effect as atomic weapons are more destructive than conventional weapons. Atomic weapons spell devastation. Thermonuclear weapons mean annihilation.

Our hopes for permanent peace in the face of these dismal and foreboding facts rest more and more on the growing unity and strength of the free nations. This means in effect that it depends largely on the success or otherwise of the North Atlantic Treaty Organization or NATO as it is called. It may prove possible for 15 nations working closely and effectively together to accomplish what none of them could hope to achieve singly. It will prove possible if we all give to NATO that continuing, energetic and all-out support which it requires — which indeed it must have if it is to ultimately relieve us of the continual threat of war.

We Canadians have nearly always shown a good sense of proportion in adjusting ourselves to rapid changes, whatever their nature, in peace as well as in war. The whole amazing record of Canada's achievements and development in recent years affords abundant evidence of our ability in that

respect. And our ability to find a middle road has proven one of our greatest assets.

In the last ten years our population has increased by nearly one-third and now stands just short of 16,000,000. Of this increase, some one and a quarter million people are new Canadians who, since 1945, have come to this country as immigrants. At least one out of every four of these new Canadians has made his start here in greater Toronto.

The past decade, too, has witnessed the greatest period of industrial expansion, prosperity and general well being in the history of our country. Canada's gross national product has risen from less than twelve billion dollars in 1945 to more than twenty-six billion dollars last year and throughout that period we have consistently been one of the top trading nations of the world.

During two world wars and action in Korea we have demonstrated beyond peradventure that prosperity has not made us soft and that freedom is regarded by all of us as dearer than life itself.

This is a record of which Canadians may indeed be proud, and as we look hopefully forward we think we see Canada ending the twentieth century as one of the world's major powers. But however much we enjoy the progress, the growth and the prosperity which are ours, all this marvellous advance will avail us nothing if it should end in an atomic ashheap.

National defence therefore becomes supremely important to all Canadians -- to every individual -- to you, and to me, and Canada's defence policy must continue to rate top priority in our national consideration as well.

What is our defence policy? On what basis does it rest? Since all-out war, unleashing as it would the full fury of modern thermonuclear weapons, can only result in unimaginable death, destruction and misery, it becomes obvious that our basic policy must be directed to the preventing of such a war starting at all.

It is our duty, therefore, as Canadians to contribute everything we can, within the limits of our ability, toward strengthening the deterrent power of the free world. This has come to be known as the "policy of the deterrent."

To make such a deterrent policy effective means that we, and our allies, must build up such strength as will enable us to retaliate against any attack so swiftly and so surely and with such awful destructive force that no nations will dare to invoke all out war for fear of being itself destroyed. The development of such strength has already, for

several years, called for great and continuous effort and sacrifice on our part. It will continue throughout the foreseeable future to require more and more of the same.

We can hardly hope to understand or fully appreciate the twistings and turnings of the Soviet mind as it rings all the changes from sweet plausibility to bitter anger and unreasoning rage.

But we ought not to be deceived as to the real aims and purposes of Communism. The record in that respect is very clear. And we do know one thing, that the Soviets understand and respect strength. We must, therefore, if we would hope to prevent all out war, continue to lead from more and more strength.

That is not to say that we should not ceaselessly and sincerely seek a solution of all our difficulties by peaceful and diplomatic means. But we had better be cautious and careful and sup with our adversaries, when we must, with a long spoon.

May we now for a few moments consider Canada's contribution to that deterrent to which I referred a few moments ago.

The immediate and over-all aim of Canada's defence programme and planning is, of course, to provide for the security of Canada itself. Defence -- like charity -- begins at home. And any defence effort is based on military and scientific preparation, the extent of which at any given time and under any given circumstances is determined in the last analysis by the will of the people by democracy in action. Obviously, particularly in peace time -- and we are today living in a time of peace troubled and uncertain thought it may be -- democracies tend to look more to the development and prosperity of their country than to military preparations for its defence.

Following demobilization and readjustment after World War II, our active forces numbered less than 33,000 in all. Today we have some 116,000 officers and men in the regular forces maintained in a constant state of preparedness. The maintenance of such sizeable standing forces in time of peace is something new for this unmilitary nation and reflects very clearly the realistic approach of the Canadian people to the potential danger which threatens the world.

In our modernized Royal Canadian Navy, ready to protect our shores and the sea lanes, we have 44 war ships in commission with 35 in reserve and 20 under construction. The army has at home three infantry brigades and a mobile striking force as well as a brigade in Europe. The Royal Canadian Air Force maintains 17 regular squadrons in Canada and 12 in Europe.

Nine of the regular squadrons in Canada are fighter squadrons equipped with long range, all-weather CF-100 jet fighters. In addition, there are in Canada's regular air force three maritime squadrons, four transport squadrons and one photographic squadron.

And, of course, each of the three services is supported by its reserve components. I can assure you that no effort has been spared in making these forces the very best that human ingenuity and patriotic devotion can achieve.

Canada has always been an active member of the United Nations, which has as its primary aim the preservation of peace.

Under the aegis of the United Nations in Korea Canadian service men, through dedicated service and sacrifice, helped to clearly demonstrate that aggression can be halted by collective action. In the Korean conflict which added such lustre to Canada's military record, some twenty-seven thousand Canadians served in Korea during the period of active hostilities, of whom three hundred and twelve made the supreme sacrifice and twelve hundred were wounded in action.

Canada is a charter member and has always been a constant supporter of the North Atlantic alliance.

The North Atlantic Treaty Organization was born out of the threat to peace in Europe during the late 1940's at a time when the Soviet Union was seizing control of nation after nation, one by one. NATO originated and remains a great and constructive experiment in international relations, designed to provide security on a collective basis. Under the treaty, pursuant to a very simple covenant, an attack upon one or more of the NATO members in Europe or North America will be regarded as an attack upon all. No longer will it be possible for an aggressor to pick the free nations off one by one.

Almost everything Canada is doing in the realm of defence constitutes an integral part of NATO's great co-operative effort.

The build up of our forces at home, the provision of an infantry brigade group and 12 squadrons of fighter craft in Europe, our contribution to the cost of providing airfields, pipelines, communication and the like in Europe -- known by the horrible name of infrastructure -- our provision of mutual aid in the form of military equipment to the extent of almost one and a quarter billions of dollars, including our NATO air training scheme for training aircrew for our allies -- nearly 4,000 have been trained already -- all of these represent substantial and effective contributions to the strength being developed by the NATO countries.

When General Gruenther, the Supreme Allied Commander of NATO forces in Europe, was in Ottawa last month he spoke in the highest terms of the Canadian forces in Europe and of Canada's overall contribution to NATO as well, with particular emphasis on the great morale building effect of our effort on our European allies. We are playing our part in the NATO picture and I believe with General Gruenther that we are playing it effectively and well.

In North America we are engaged with our neighbour to the south in establishing a comprehensive air warning and defence system. Now that the Soviet Union has discovered the secret of the hydrogen bomb and has developed the means of delivering it to North America, this project becomes increasingly urgent.

Time was when attacks on North America, if at all, would only be diversionary attacks to tie down this continent's forces which, in the event of war, would probably be urgently required in Europe. All that has now been changed, and we are faced with the real possibility of an attempt to strike a crippling blow by air on our two countries for the dual purpose of destroying our industrial potential and destroying the retaliatory capacity of the United States Strategic Air Command on which so much depends, not only from our own point of view but for the safety of the whole NATO alliance.

We must not ignore the threat thus poised. Indeed, we must seek to meet it effectively, and this we are actively endeavouring to do. Along with the United States we are building an integrated system of air defence for the North American continent in which Canada and the United States each plays its respective role.

Effective air defence requires adequate detecting apparatus, adequate communications and adequate attacking power to seek out and destroy invading planes.

For some time, as you know, we have been building an integrated warning and communications system to serve a three-fold purpose, should the need arise -- to alert fighter aircraft to the approach of hostile bombers, to warn the civil population of that fact, and to enable the powerful United States' strategic bombing force to get off the ground and on its way to carry out its crippling, devastating, retaliatory blow at the enemy.

The joint Canada-United States radar warning and control system consists of four main parts: the Pinetree system, covering the industrial heartlands of Canada and the United States; the Mid-Canada early warning line, roughly located along the 55th parallel of latitude; the distant early

warning or DEW line, located generally where the continental land mass meets the Arctic Ocean, with extensions on both flanks of the continent into the oceans on either side.

The day before yesterday I returned from a 10,000-mile flight through northern Canada and the Arctic regions examining the progress being made in construction of both the DEW line and the Mid-Canada lines.

I was accompanied on this trip by Rt. Hon. C.D. Howe; Hon. Jean Lesage, Minister of Northern Affairs and National Resources; Mr. Charles Wilson, Secretary of Defence of the United States and Mr. Donald Quarles, Secretary for Air of that country, as well as by Hon. Douglas Stuart who is just finishing his term as United States Ambassador to Canada.

It proved to be an intensely interesting, revealing and inspiring experience.

What is going on in that vast, barren, sparsely populated area today staggers the imagination. And it is all being done in spite of a multitude of tough problems -- problems of transportation and of construction -- problems arising from the severity of the climate -- from the vast distances involved -- from the permanently frozen conditions -- and from these and a dozen other problems which hamper and delay.

Incidentally, I had the unusual experience of flying across Canada's Far North without touching Canada at all -- I left from northern Greenland by air in the morning and landed in northern Alaska in the evening, having crossed in the interval the whole of that vast, fascinating area which constitutes Canada's Arctic northland.

The construction by the United States government of the most northerly early warning line -- the DEW line, as it is called -- will constitute, if ever its story can be fully told, one of the greatest epics in the history of the Far North.

The United States Air Force, the Western Electric Company, the general contractor charged with its construction, and the thousands of workers and suppliers under their direction, will certainly have every reason to be proud of their achievement. Throughout all this vast effort, they have received the close co-operation of the Canadian armed services and of Canadian government departments and agencies. Perhaps, as I cannot disclose very many details of the construction and supply effort which is going into the DEW line at this time, it may give you some idea if I tell you that one distributing centre in the Arctic which I visited is being served by eighteen civil air lines. Including USAF and RCAF planes, over one thousand planes landed there last month -- an average of well over thirty a day.

Perhaps somewhat less dramatic but equally important to our defences -- and even more significant, perhaps, to Canada's economic progress as it rolls the map northward -- is the building of the Mid-Canada line. This also we saw at close hand earlier this week as we inspected key sites on the ground and from the air, and saw something of the marshalling of supplies and materials needed for this great enterprise. More than 1,200 men are working on the Mid-Canada line and thousands more are working to supply and equip it.

The building of this line is entirely a Canadian undertaking. The rapid way in which the little known sub-Arctic hinterland of Canada is being opened is evidence of the imaginative and effective way in which the RCAF and federal government departments, the management contractor, the Bell Telephone Company, and the other Canadian contractors are working together on this huge assignment.

As I have just seen it at close hand over one thousand miles of its extent, I should like to tell you something about the Mid-Canada line, the culmination of many new ideas in construction, communications and transportation.

I well recall the first conferences to study the problem of providing this vital element in the continental warning system.

Our experts began, of course, by studying the map of Canada - Northern Canada. And in so doing they were forced to consider the difficulties they would face in building this line across the sub-Arctic. Around Hudson Bay especially, the terrain and climate conspired against any intruder: in winter, forbidding trackless wastes and cold; in summer, impassible bogs and muskeg -- and mosquitoes, large alike in size and in number.

Each area presented special problems. Ungava in the east was slashed across by its innumerable lakes, rocky ridges, scrub forests and bogs. The James Bay area in summer was mired down in muskeg, with many lakes and surprisingly large streams. The coast of Hudson Bay, because of shallow waters, was almost unapproachable. To the west, the muskeg merged again into wooded country, at first hilly, and then, in the far west, vast areas of high, forbidding, almost unexplored mountains.

It was evident, of course, that cold would challenge the builders' ingenuity, but transportation above all was the great and continuing problem. The construction of the Mid-Canada line would clearly involve many of the harrowing problems which in earlier years plagued the pushing of the Hudson Bay Railway to Churchill, the building of the Alaska highway and the opening of the Knob Lake country.

If ever there was a Canadian construction project in which the difficulties all argued against action, this was it. However, the RCAF was not to be daunted, and in this enterprise they found determined allies in government and industry.

Once we had decided to push ahead with it -- and this was less than three years ago -- dozens of sites had to be chosen along 2700 miles of little known and inadequately mapped territory. Aerial photography by the RCAF and large-scale maps by the Canadian Army made possible the preliminary selection of sites. Next, came the ground survey and siting parties to verify or improve on the locations, both from the construction and electronic points of view. Then came the designing of the buildings for the various types of stations and to meet the special conditions of the country.

The building of the Mid-Canada line is a notable construction story, but above all, it is the story of transportation. Each phase of the project has depended on getting the supplies, material and construction workers to the right place at the right time. If -- as well it may -- the building of the Mid-Canada line becomes one day a part of Canadian folklore, accounts of these journeys and hauls will, I am sure, be longest recalled and recounted to succeeding generations.

Many means of transportation have been used in the trek northward: ship, train, truck, and tractor train, airplane and helicopter. The eastern and central areas have been, by the nature of their terrain, most difficult to traverse.

At Moosonee, for example, there was, at one stage, a great marshalling of 9000 tons of freight that had to go forward this winter and spring by tractor train over the trackless wastes to a desolate site near Hudson Bay. Where no road existed, one was built -- surely one of the most extraordinary roads ever made - the Snow Trail, a wide, smooth highway of packed snow and ice, taking the tractor trains north for 500 miles along the western shores of James Bay and Hudson Bay.

To build this road a survey party first set out, followed by Indians on snowshoes, then by snowmobiles and, finally, by tractors and tractor trains.

The Snow Trail is melting now and may not be needed again, and the tractors are striving to reach their summer bases before they mire down in the muskeg. But for further advances into the north there is now a new transport technique -- thanks to the ingenuity of the Mid-Canada engineers.

Experimentation is the mark of this project. Studies are being made of a great balloon-tired vehicle, with wheels 8 to 12 feet in diameter, which might replace the much slower tractor train. To traverse the hitherto impassible muskeg, the "muskeg buggy" and other amphibious vehicles are now being tried out.

The difficulties of the Hudson Bay beaches too have presented special problems. For transport of fuel to several beach sites, miniature Pluto lines -- on the same principle as those used for the Normandy invasion -- might have to be run on the seabed for several miles off shore to tankers; or in other cases fuel lines had to be used that are specially designed to float on the water.

Many Mid-Canada sites have lakes nearby, thus making summer airlift possible. And when these lakes are frozen, ice air strips can be developed for winter supply. A study of lakes adjacent to stations has also had to be made from the point of fresh water supply. Many lakes freeze solid during the long Arctic winter, and such solid freezing would, of course, render them useless as a source of water supply. It becomes, therefore a matter of considerable importance that a deep lake be found near each station to ensure unbroken water supply.

In a project of this magnitude, forward planning is all-important. As the line's sites are being developed, the equipment for them is being tested, perfected and scheduled for delivery when the line is ready to receive it.

The line will consist of dozens of unit detection and warning stations, with a number of main stations. Stations will vary in size, requiring, in the initial period, from two men at unit stations to more than one hundred at main stations.

It has been decided to man the line in large part by civilians under contract. Hundreds will be hired and trained for this important task. While it is proposed that civilians will operate the line, operational control will, of course, remain the responsibility of the RCAF.

An advanced training course for RCAF and civilian personnel was started several months ago. The third of the basic training courses for technicians to install and test the line is now proceeding.

For testing and training purposes, two simulated line sections of the line have been developed; one at Montreal some time ago; and the second in the Ottawa Valley, now nearing completion. The Ottawa Valley test system, in its main and subordinate stations, will provide an excellent training ground for technicians needed on the line.

In addition to the building of the Mid-Canada stations, there is being built along the line a multi-channel communications system. The Mid-Canada line is also being tied into the vast communications network now being thrown across Canada and into the Arctic to link all elements of the warning and interceptor control system for United States and Canadian military and civil defence purposes.

The Mid-Canada line is being built in spite of awesome difficulties, with the same kind of persistence, endurance and ingenuity which in earlier days pushed Canadian railroads across unmapped territories and through formidable mountains.

It is a sombre thought that such costly and elaborate arrangements are required today and are indeed essential for purposes of defence.

But we can hope that because the invader is being closely watched for, he may never come. In any event, we all can be sure that this activity in our northland will have its peace time usefulness too.

In solving the many, many problems of supply and construction on difficult terrain and in a climate of extremes, Canadians are learning how to build, how to work and how to live in the rigorous north. We are learning that by adaptation, by effort and by skill, the sub-Arctic can be made habitable.

The old concept of the "frozen" north as an inhospitable forbidding wasteland of snow and ice is giving way to the new concept of the north as a land of opportunity, of challenge and of hope. Vistas of great promise are opening for a sturdy, enterprising people, and I envision a new era of promising expansion for Canada -- a surge of development perhaps as spectacular as that which opened the west at the turn of the century.

Canada's northland yields much wealth but it can yield far, far more. In recent years there has been a wave of mineral exploration and extraordinary development. Recent discoveries have included such a variety of minerals that it appears the northland may prove to be very rich indeed in mineral wealth.

Development has been hindered up to now by problems of distance, transportation, climate and terrain but, as I have said, the ingenuity of man is overcoming those problems. We are mastering the hitherto untameable north. And the establishment of the northern early warning lines, which are designed to meet the threat of thermonuclear war, is providing air transport bases, tractor roads, communications systems, and even community centers which will be of incalculable value to peaceful pursuits and industrial development.

In conclusion may I say that while I have been talking of defence, all our efforts are really being directed solely to the preservation of peace. Canadians have no aggressive designs against any other country or its people. We love our land, but we do not covet any other's territory. We will never attack anyone. We wish only to live at peace and help the rest of the world to live at peace.

We are, in short, dedicated to the determination so well expressed by Prime Minister Eden and President Eisenhower in the recent Washington Declaration:

We shall help ourselves and other
to peace, freedom and social progress,
maintaining human rights where they are
already secure, defending them when they
are in peril, and peacefully restoring
them where they have been temporarily
lost.

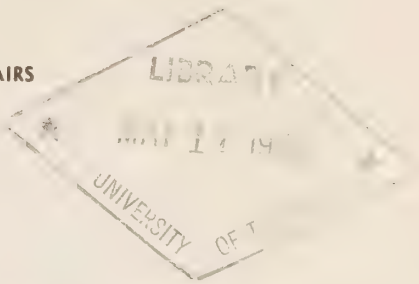
We can have no higher ideal than that.

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STATEMENTS AND SPEECHES

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No. 56/13 BROTHERHOOD BETWEEN NATIONS - THE COLOMBO PLAN

Excerpts from an address by the Secretary of State for External Affairs, Mr. L.B. Pearson, to the Holy Blossom Temple Brotherhood, Toronto, February 20, 1956.

My pleasure at being with you this evening is increased by the realization that I am joining you in the celebration of Brotherhood Week. This week reminds us in a special way, though we should, of course, be aware of it every week, of our obligation to each other, to our community, and to our country in promoting the ideals of brotherhood and fellowship. Until these ideals are realized, based as they must be on tolerance and friendliness, on equality and non-discrimination, this country cannot become truly great; no matter how much our national income may increase each year, or how successfully our natural resources are developed. The surest foundation of a country's greatness lies in its human resources, and these can never minister to that greatness if there is racial or clan prejudice or arrogance; if there is disunity and suspicion between section and section, class and class, government and government.

Canada has been fortunate in these non-material aspects of our development but we have not, of course, fully achieved the ideal of brotherhood and unity which we have set before us. Our difficulties at home in this regard give some indication of the magnitude and complexity of the infinitely greater problems of brotherhood between nations, that gleaming vision of all good men. These problems are in all truth great enough to daunt even the most optimistic; even between nations which have basically similar values and background. They are far greater in the case of peoples of different civilizations, different traditions and ways of living. They become almost insuperable when they are between the Communist and non-Communist world, where a great gulf of ignorance and misunderstanding and fear separates those who must somehow, sometime, live together in peaceful co-operation, which is something different from peaceful co-existence, if this world is to survive at all.

There are moments, in this age of hydrogen and hate, where man has conquered the atom, but not himself, when one begins to despair even of such survival. Yet, it would be folly to take refuge from our fears in a cynical rejection of all effort, as impossible to the point of absurdity, which is designed to bring about world brotherhood. It is tempting, as it has been put, for "The embittered idealist, in terror of further disillusionment, to retreat from life to rock in the cradle of each passing sensation". It is a temptation which should be rejected by individuals and by governments. There is no cause for despair over the possibility of brotherhood being forever destroyed by bombs. Man faced with the sad memories and the grim consequences of his failure to live peacefully with other men, has many times accepted as inevitable a doom that he has somehow managed to escape. So it may be this time.

I, myself, had an experience last autumn which persuaded me that we are, in fact, enlarging and extending the boundaries of international brotherhood. I was visiting India and Pakistan, among other things to inspect the co-operative work of Canada with those countries under the Colombo Plan; a plan which is providing not only material help for peoples who need that help, but also a bridge of understanding and friendship between our Western world and that of free Asia.

There are at least three valid reasons why we should co-operate with these free Asian countries in such mutual aid. One is a sincere humanitarian desire on the part of those who are materially more favoured to help those who are less. The second is the recognition that it is our own interest to live in a world where prosperity is more universal; that the more quickly other people's standard of living can rise, the better off all of us will be. The third, is the hope that economic aid can serve the cause of peace; because the stronger any free nation is, the less chance there is of aggression and war.

It is important, however, to guard against the idea that we can purchase or should try to purchase allies in that part of the world. Communist propaganda is insinuating this interpretation throughout Asia, and it is important to give it the lie. The East will not become a mercenary in our ranks. It would be deplorable if Asians believed that Westerners had insulted their dignity, or misread their independence, by entertaining such notions.

If we of the West provide material aid only or primarily for cold-war motives, we are likely to fail in achieving any good and permanent result. If, however, we help out of a recognition of brotherhood, with our free Asian neighbours, then we shall succeed in improving the political atmosphere as well as in promoting human welfare. Good-will is contagious.

This Colombo Plan is succeeding because it is based on good-will - if you like - on brotherhood. During my visit to India, I had the honour of opening a power and irrigation project which is now known as the "Canada Dam", situated a couple of hundred miles north of Calcutta. It is in a part of India where the inhabitants, because of shortage of water and lack of irrigation facilities have for centuries tried to scrape out a bare existence from the hard, dry, soil, and have often failed even to do that. This Canada Dam, however, will provide modern irrigation facilities for 600,000 acres of land, and enable that land to produce two crops a year. The people there know what that means, so when I pressed the button that sent great floods of water rushing down the spill-way and out the irrigation canal, the Indian peasants and tribesmen who had come on foot, or in bullock cart, from miles around in their thousands to witness this great day, which meant so much for them, gave a shout that must have reached almost to Canada. It gave also to those of us who were there from Canada a reality to the words "Colombo Plan" that one could never get merely from talking or writing about it.

Similarly with the great Warsak hydro-electric project that we are building with the Pakistanis on their Northwest Frontier. This is brotherhood in action without any strings attached. It is a far cry from the offers of steel plants and military equipment to be purchased by Asian governments from the Soviet state in the hope that certain Communist political objectives may be achieved.

We in the West have no wish to compete with Communist dictatorial regimes in their offers, some of them cynically hypocritical, of material assistance, dictated by political considerations arising out of Communist policy which, in the long run, can mean only trouble for those peoples who come under its influence. We can, however, successfully compete with them - if we wish to, as we should - in sympathetic understanding and good neighbourliness as the basis for mutual aid. These qualities are more important even than the material value of such aid. We in the Western countries would be well advised to remember this as we face the problems of competitive co-existence and the contest for the hearts and souls and the friendship of the uncommitted millions of Asia.



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No. 56/14

SOME ASPECTS OF CANADIAN - AMERICAN RELATIONS

An address by the Secretary of State for External Affairs, Mr. L.B. Pearson, to the Canadian Club, Montreal, April 27, 1956.

You will not be surprised, I am sure, especially in view of the current attention being given to the matter, if I talk to you today about some aspects of our relations with the United States.

It is a subject with which Canadians have always been intensely preoccupied; and, I expect, always will be, as long as the facts of history and geography, economics and politics, remain as they are.

This preoccupation, while natural and, indeed, inevitable, at times seems to occupy a disproportionate share of popular interest. If we are not careful, we will soon be spending more time in thinking negatively about what the Americans have done or may do to or for us, than in thinking positively about our own plans and policies.

Canadian-American relations are today the most important single item in the foreign policy of our country; apart, of course, from the transcendental issue of peace and war. Moreover, these relations will probably grow in difficulty and complexity as the importance of each country to the other increases, as is happening. After all, we share most of a continent, and one which is today not on the periphery, but in the very centre of the world. Its northern half - the Canadian half - is growing steadily in strength and influence.

Today there are no two countries in the world whose contacts are so varied, so close and so compelling, as those between Canada and its neighbour.

When Professor Leacock retired from McGill, he was invited to return to England, his birthplace, and pass

the rest of his life there. His reply, courteously and humourously declining the invitation, included the following sentences:

"There's another reason for not wanting to leave Canada for England. I'd hate to be so far away from the United States. You see, with us it's second nature, part of our lives, to be near them. Every Sunday morning we read the New York funny papers, and all week we read about politics in Alabama and Louisiana, and whether they caught the bandits that stole the vault of the national bank, and - well, you know American news - there is no other like it. And the Americans come-and-go up here, and we go-and-come down there, and they're educated just as we are and know all about Kilowatts but quit Latin at the fourth declension.....

"Our students go and play hockey with their stoodents and our tourists going out meet their towrists coming in. The Americans come up here and admire us for the way we hang criminals. They sit in our club and say, 'You certainly do hang them, don't you!' My, they'd like to hang a few! The day may be coming when they will. Meantime we like to hang people to make the Americans sit up.

"And in the same way we admire the Americans for the way they shovel up mountains and shift river-courses and throw the map all round the place. We sit in the club, fascinated, and listen to an American saying, 'The proposal is to dam up the Arkansas River and make it run backward over the Rockies.' That's the stuff! That's conversation.

"...We are 'sitting pretty' here in Canada. East and West are the two oceans far away; we are backed up against the ice cap of the pole; our feet rest on the fender of the American border, warm with a hundred years of friendship.....

"...Thank you, Mother England, I don't think I'll 'come home'. I'm 'home' now. Fetch me my carpet slippers from the farm. I'll rock it out to sleep right here."

I do not wish you to infer from all this that the ties that draw us across the Atlantic, that link us with our mother countries, Great Britain and France, and with the nations of the Commonwealth, are weakening. On the contrary, they are stronger than ever. The old problems arising out of our development from colony to nation, and

from the impact of imperial policy on that development, have been solved. There is now little to worry us and very much to satisfy us in the Commonwealth relationship. It is a relationship which we must maintain and strengthen.

On the other hand, our problems with the United States are, if not new, at least expressing themselves in new and, at times, perplexing forms. They constitute a challenge to both countries. It will be easier on our part to meet that challenge successfully - as we must - if we keep a sense of proportion; avoiding excessive touchiness or assertiveness; if we show ourselves to be not only nationally alert but also nationally mature.

We are not, of course, a mere economic or political extension of any other state. We stand firmly on our national feet and we must stand up for our own national interests. When these interests are endangered by the policies and practices of any other country, however friendly, we must speak out and, if necessary, act. The record shows that we are not afraid to do this. Other countries - especially the United States - would not have much respect for us otherwise.

There is a tradition of forthright but friendly exchange of views across our border, which is uniquely valuable. We do not want to lose it. That loss, however, could be brought about from abuse by exaggeration or over-indulgence, on the one hand, or by super-sensitiveness or morbid suspicion on the other. We should guard against both.

This increasing importance of Canada and the United States to each other is two-fold. Not only is our relationship in a bilateral sense of great and growing significance, there is also the fact that the United States through its power and resources is the country best equipped to give political leadership to the Western world, which includes Canada, in the search for peace and security against aggressive communism. Canada, therefore, and the other members of the coalition, have an obligation in their own interest not to act without considering the major responsibilities for collective security now being borne by the United States.

This realization that we must stand together or fall separately explains why today in our defence policies we do not, indeed cannot, rely on national action alone, which would be totally inadequate, but on collective arrangements, especially through NATO.

Among other things, this means that our continent, which is one great sector of the NATO area, must be treated as a single zone for defence, and that Canada and the United States must co-operate closely in that zone for their common protection. It means also that Canadians have no more right to be cool and suspicious when that co-operation brings American soldiers or American installations to Canada, than would be the case when it bring Canadians to France or Germany.

In other days, and under other conditions, we would have assumed complete responsibility for the building, manning, operating and maintenance of every defence facility in Canada. But now that defence installations on our territory protect both countries, the cost and the responsibility is shared by both governments. This is the right and proper course, especially in view of the magnitude of the requirements for continental defence. In the circumstances, the policy we have adopted is, I think the right one. There is full consultation with the United States on all aspects of collective defence, especially continental defence. It is accepted without question that no non-Canadian activity on Canadian soil in connection with such defence shall take place without the agreement of the Canadian Government. Before giving such agreement, we must be convinced that the activity in question is necessary.

Canada accepts responsibility for as much of this continental defence work on Canadian soil as it can undertake, having regard to our other defence commitments. That which we cannot do ourselves - and which we agree should be done in the common interest - is either a joint effort or is done by the United States alone. Furthermore, in every defence arrangement that we have made with our neighbour, and which involves American activity on Canadian soil - this is very important - Canadian rights and Canadian sovereignty are fully preserved.

Surely we should welcome whole-heartedly, as something in our own as well as the general interest, United States defence co-operation on such a basis. This being the case, it is no service to good relations and friendship between our countries, or to peace and security generally, to whisper or insinuate that every time the Stars and Stripes flies with the Canadian flag at some Arctic base, this is a further step in the United States conquest of our country. "Canada, we stand on guard for thee", is something to act on - as well as to sing about. But it doesn't mean that we have to declare war when an American soldier stands guard over his crashed plane on Canadian soil!

The sudden flare-up of this ancient fear that we are about to become "the 50th state of the Union" may have been encouraged by the feeling that defence co-operation with our neighbour and within NATO is no longer so necessary, now that there is a new and better look in Moscow. Joseph Stalin has been degraded by those men who bowed so low before him when he was alive. Therefore, it is suggested we can take it easier now and even indulge in the luxury of suspecting each other. This feeling that it is now safe to relax is a dangerous delusion and, if persisted in, would weaken the unity and strength of the free nations which has itself been a main reason for the improvement which has taken place.

The cult of personality may for the time being have become a communist heresy; but the cult of communist domination remains. So the non-communist world cannot yet afford to indulge in weakness or division or complacency.

There are conclusions to be drawn from this in respect of Canadian-American defence relations, as well as in wider fields.

If worries over United States participation in certain joint defence arrangements in Canada seem recently to have increased, that is at least partly due to the feeling that the menace of communist imperialism has decreased. As Mr. Dulles said in his speech in New York on Tuesday, "Allies no longer feel the same compulsion to submerge differences as when they faced together a clear and present danger". The danger, however, has not disappeared. It may be taking new forms, but it still faces us.

Similarly, if anxiety over certain economic aspects - particularly the foreign investment aspect of Canadian-United States relations - seems also to have increased - or at least to become more vocal - in certain Canadian quarters, that may be due, paradoxically, to the very abundance of the evidence of the economic progress that Canada has been making in recent years. We have been going through our greatest period of development. We can as a people take our full share of credit for this. But we should also remember that it could not have taken place in the way and in the time that it has, without outside participation, especially by investors from the United States, but also from Great Britain and other countries.

We have recently been reminded in Ottawa - and elsewhere - that participation of this kind brings its own problems and poses a threat to that national control, indeed to that independence, which we rightly cherish and intend to maintain.

These reminders can be salutary because the problems are real. But there is no excuse for the assertion - either careless or calculated - that the economic and political domination of our country by the United States is imminent; or for dragging up old anti-American prejudices. The War of 1812 was fought a long time ago, and "54-40" is now more impressive as a football signal than as a call to conflict across the border, or even as a peroration in a House of Commons speech. The times are too serious and the problems too real for irresponsible exaggeration.

Canada has been urged recently to declare its economic independence of the United States. I wonder what that means. Surely not that our tariffs, our budgets and our laws are now made across the border and that we are a mere satellite or dependency of our great neighbour. Ask them in Washington about that!

Certainly we are not independent of the United States in the sense that we can isolate our economy from hers, at least without tragic consequences.

But what country in the free world can be or would wish to be economically independent of the United States in that sense? Canada least of all. The trade figures with our neighbour are themselves enough to refute any such idea.

Furthermore - and this should comfort the Jeremiahs who predict our new colonialism - the United States in its turn is today by no means economically independent of Canada, and will become less so in the future. The fact is that the economic interdependence of our two countries, and indeed of most important trading countries, is both inevitable and beneficial. It is usually forgotten, for instance, as an illustration of this interdependence, that Canadian per capita investment in the United States is almost twice as great as American in Canada.

I know that anxiety is also felt - and it may be very real - because, as it is put, we have too many of our economic eggs in the American basket. It is worth reminding ourselves, however, that it is the strongest basket in the foreign market. I do not like to think what we would have done without it in recent years; which does not mean that we have not sought - or must not continue to seek - to fill other baskets.

Perhaps, however, by economic independence is meant protection against excessive United States investment in our capital development.

Last year, 1955, capital expenditure in Canada reached the figure of \$6.2 billions. The estimate for 1956 is the unprecedented figure of \$7½ billions, or 23½ per cent of our gross national production. The rate of increase of new investment in industry is higher in Canada than in most other countries, including the United States.

For several years now, our savings have not equalled our investment, even though the proportion of such savings in relation to our Gross National Product has been also greater than in the United States.

The deficiency has been made up by an inflow of capital from abroad, largely from across the border. In 1955 this amounted to over \$600 millions, but our total capital investment, it should not be forgotten, was over six billions. Unless we wish to slow down or alter the pattern of our development; or unless we save and invest more ourselves, especially in speculative developments - as I hope we will do - this capital investment by our neighbour - far from being unnecessary and dangerous - is of essential importance.

Do these American investments mean that we are going to lose our national identity; to become - as it has been said - a "banana republic"?

I have too high an opinion of the sturdy patriotism and the national pride of my fellow-Canadians to admit that any attempt by the United States to secure control of or unduly influence our economic or political destiny by its investments in Canada could possibly be successful. We are not the kind of people to accept pressure of that kind.

But I have also far too high an opinion of the common sense and the genuine goodwill of our neighbour to the south to believe that they would ever make such an attempt.

Let us be neither defeatist nor demagogic in these matters. When the growing need in the free world is for close co-operation, for mutual trust, for standing together, this is no time for political or economic jingoism.

Perhaps pleas to preserve our independence are based on fears, genuine or self-induced, that we are losing control of our natural resources to American interests; that we are becoming, as the current phrase puts it, "hewers of wood and drawers of water", as well as - and this is a more original expression - "diggers of

holes" for Americans. Incidentally, a hewer of wood is today no underpaid, unskilled labourer. He is a highly skilled, respected workman who can make fifteen to twenty dollars a day; more than many of his fellow-Canadians working in factories or offices or schools.

This humiliating suggestion that we are in danger of being exploited by and of doing the rough work for the benefit of economic overlords from across the border is one which few Canadians will accept.

It is well to remember that \$1.00 out of every \$3.00 of our national income comes from manufacturing, and that our country of 16 million people now ranks sixth in the world in terms of the total value of manufactured commodities produced. These figures will help us to keep things in perspective.

We are often reminded, however, and again the reminder can be salutary, that our natural resources, thought great, are not unlimited; that they should be prudently used and wisely conserved for future generations. Hence the questions: Are the Americans not dissipating too much of them for their own gain? Should we not export less and process more in our own country?

These are very important questions and have to be taken seriously. Where there are trends or tendencies which suggest answers to them that might prejudice our national development, governments should try to correct them.

I do not, however, have to remind a Quebec audience that control over the development of our natural resources rests largely with provincial governments who bear, and rightly, a major share of responsibility for the manner and extent of their exploitation. Moreover, in a free country like ours, and in the present circumstances of our development, would it be wise, as has been suggested, for the Federal Government to impose restrictive controls designed to ensure that we should export from Canada a greater proportion of finished products and less of our raw materials? Such controls could easily do us more harm than good. Surely at this stage of our economic development we should continue to export large quantities of raw materials as essential to our prosperity and employment, and also to our steadily increasing industrial strength itself.

We are steadily increasing, as we should, the manufacture of raw materials in Canada, and this will grow as we develop new markets at home and abroad, new skills and new manufacturing facilities. This process should be

assisted by carefully designed governmental policies, but should not be stimulated by artificial expedients. We have had enough unhappy experience over the last thirty years to recognize the fallacies and the perils of trying to force economic industrial and agricultural growth in the name of economic nationalism.

Economic and trade policies based on short-sighted considerations could do more harm to Canada than to most countries. It is because we have taken the long view of our national interest that the foundations of our economic structure are strong; until today Canada has achieved an important position among the nations of the world; a position which has been buttressed by the development since the war of basic industries. This development, which has been unprecedented, would not, I think, have been possible without the participation of United States venture capital and technical knowledge. We should be very careful, therefore, not to discourage such participation by ill-considered and unfriendly talk. We can't kill the goose, but she may decide to lay her dollar eggs somewhere else.

I am not suggesting that the possible impact of outside and, above all, American investments in Canada may not have important results for our future; or that great care must be taken by governments on all levels to ensure that those results are good. Corporations and investors from outside who come to Canada should be warmly welcomed, but if they are to share in our national progress, they should become rooted in the national community to the maximum possible extent. The experience of recent years has shown that there is no other sound basis for foreign investment.

But this does not mean adopting on our side a narrowly nationalistic and prejudiced attitude; indulging in intemperate language, or striking suspicious attitudes at the expense of those whose co-operation - political and economic - we need.

It is far better to adopt a positive approach to this problem of national development and by our laws, policies and actions to encourage Canadians to supply more and more venture capital and management for enterprises in Canada.

This will be a more helpful and constructive course than merely to lament over the extent to which Americans contribute what we need, but which we do not or cannot ourselves provide.

With pride in our development, with confidence in our future, with satisfaction in the position we have achieved in the world, pessimism of the kind which sees Canada falling under the grasping domination of any other country is both unrealistic and dangerous. After 1867, the weak and struggling Canadian federation, in many respects still a colony, with its very existence as a state uncertain, did not allow sterling from London to prevent it becoming a united strong and free nation; indeed, used that sterling to help bring it about. Who then would dare to suggest that the Canada of 1956, a strong and self-reliant member of the family of nations, and recognized as such, is going to be submerged by the "Yankee dollar"?

Today, in many important respects, the Western nations, and especially those in the North Atlantic Community, are more dependent on one another than they were before the threat of communist aggression led them into closer association, both economic and political. We need not be frightened of that development. In the small atomic world of today this move toward co-operative interdependence is to be welcomed rather than feared; is beneficial rather than harmful. This closer association, however, should not be confused with the loss of our political freedom. The destiny of the Canadian nation will not be blocked because Canada co-operates closely with her neighbour in continental defence, and because United States corporations operating under Canadian law, subject to Canadian policies, and behaving much like Canadian corporations, are playing an important part in our development.

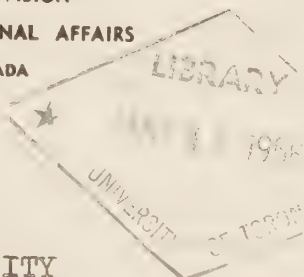
I end, therefore, on a note of optimism, based on the story of Canada's past, nourished by the evidence of its present and to be justified, I am confident, by the achievements of the future.

I make no apology for this optimism and to those who reject it, I would merely point out that if it weren't for the optimist, the pessimist would never know how fortunate he wasn't.



STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA



No. 56/15

THE ATLANTIC COMMUNITY

An address by the Secretary of State
for External Affairs, Mr. L.B. Pearson,
to the English Speaking Union, London,
England, April 30, 1956.

It has long been an agreeable and innocent diversion to the student of history to observe man's curious blindness to important and even revolutionary events in the contemporary scene. Almost any age - certainly including our own - provides numerous examples to give us that curious but common pleasure known as wisdom after the event.

At the very moment when Aristotle was designing the best possible constitution and economy for the City-State, his most renowned student, through his conquest of the civilized world, was making the City-State concept of Society obsolete. Long after the time when the introduction of gunpowder had completely changed the facts of war, moated castles continued to be built throughout Europe, even though their interest had become more picturesque than strategic. Early in the 19th century, as I recall, there were grave misgivings in England concerning the increasingly acute shortage of boxwood, with which alone the hubs of stage coach wheels could be satisfactorily made: this at the time when a network of railways was beginning to spread throughout the country. You will remember, too, that as late as 1917 in the First World War, the Allied Command kept in readiness a division or so of cavalry for the break-through to Berlin, yet one would have thought that by 1917 it would have been evident that cavalry, although continuing to give "an air of distinction to what would otherwise have been disorderly brawl", had largely gone the way of the crossbow and the muzzle-loader. In our own day, it is probable that none of us can fully apprehend the implications for war or peace of the release of atomic energy. A century or so hence, historians, if there still are any left, may wonder at our astonishing shortsightedness.

The fact is that man's inherently conservative nature, and his tendency to think in wishful terms not infrequently blinds him to developments which are bound to bring about the most profound and unsettling transformations to his familiar world. That is one reason why it is so hard to bring political action into line with those developments.

Today, for instance, we may not have fully realized the changes that have occurred which render obsolete many of our old concepts of national sovereignty and which, on the other hand, make essential the growth and acceptance of the idea of supra-national association: changes which require that we give priority to interdependence over independence.

Security, peace and ordered progress call for action on a wider basis than that of the national community. This does not mean, however, that we should move at once into world government or some form of atlantic union or broad political federation with a central legislature and executive, a common citizenship, currency, and budget, a single foreign policy and defence establishment under central control: in short, with all the institutions of a federal state.

Those who advocate such schemes of federation do so from the highest of motives. They perform, I think, a good and useful service in preparing public opinion for the political changes which will undoubtedly be called for in the future to promote international cooperation. As a practising and, I hope, practical politician, however, as well as a quondam student of political science, I confess that I sometimes find some of the blueprints of the brave new international world so far removed from the possibilities of the present that it is difficult to consider them in realistic terms. Our ultimate destiny - to safeguard our very existence - may require some form of federalism on a regional or even a wider basis. But meanwhile we have to work with the institutions which exist today and attempt to adapt them for the more ready and efficient and equitable solution of our current problems. This is, I suggest, a necessary and practicable task, and the insistent demand for something more far-reaching to be achieved immediately may at times be an obstacle to its accomplishment. In any event, the formal surrender of sovereignty, in its old form, is not now so decisive an issue as the provision of a new assurance through adequate international measures that power, traditionally the main attribute of sovereignty, will not be used for wrong purposes and against the general interest. The decisive factors, therefore, are those which determine policy: above all, which bring about a sound and sensible public opinion which alone makes it possible for democratic governments to adopt sound and sensible policies: or should the sequence be reversed?

Power, in the sense of capacity to wage nuclear war against another nuclear state, or on the other hand, to abandon the rest of the world and retire into complete isolation without disastrous economic consequences, is now, in practice, limited to two or three states. Even with those, the consequences of nuclear victory would be about as disastrous as those of nuclear defeat.

Realization of this fact has put an effective curb upon the freedom of choice and, therefore, the sovereignty of even the super-states. The concept of power-balance has given way to the doctrine of nuclear deterrent. Even the Soviet Union, rather belatedly, seems to have realized that it is not entirely free to throw its atomic weight around and, making a virtue out of necessity, is offering us 'peaceful co-existence'.

If the great have been limited in this way, how much less freedom of choice remains for smaller states. Indeed, whatever power these states now have can perhaps be most effectively used by the influence they may exert, either alone or even more in association with others, on the policy of the super-power. I suppose, in essence, that ~~- and fear -~~ are the main reasons which now hold coalitions of free states, such as NATO, together.

Smaller and newer states are often more sensitive about their sovereign rights even than larger and older ones. That is understandable. If a smaller power were not jealous of what it has, it soon might not have anything. And it is not surprising if a country which has only recently gained freedom and sovereignty is not as aware as an older state should be of the limitations, as well as the responsibilities, of that freedom.

I do not suggest, of course, that nationalism should not find expression in political freedom until these limitations and responsibilities are sure to be accepted. Nevertheless, if they have any sense of political or economic reality, smaller powers must recognize that isolation or neutralism or whatever they may call it, is today not likely to get them very far in controlling their own destinies. It is primarily by working with others that smaller countries can exercise influence on the big decisions by the big powers which so largely determine their own fate. This should strengthen their belief in international co-operation and international organization. It may also make them insistent on a voice and authority within this co-operation and these organizations, in the effort to recapture some of the control over their own fortunes which they may once have possessed but a large part of which, it must be admitted, most of them have now lost. While this is true, the atom bomb has also

become itself a leveller even among those states that possess it. It has for instance, because of its total destructive effects for which there is no adequate defence, made military superiority almost meaningless and armament races irrelevant. As Mr. L. L. White has put it in his wise little book EVERYMAN LOOKS FORWARD:

"The bomb has exploded the concept of quantity in the military field. Belief in military power may continue as a comforting conviction, just as men still believe in gold and move it carefully from place to place. But the real contest for supremacy will meantime be carried on in the field of policy and ideas.

"With the discovery of the bomb, power itself has become powerless before the will of a few. The human mind, by discovering prodigious destructive power within an ounce of mineral has recovered its mastery over quantity. From 1600 to 1945 physical power grew in arrogance, and policy often became the servant of the needs of power. But the bomb has burst the myth of power. It is policy not power, human motive not quantity, which is ultimately decisive in human affairs.

"To be a great power no longer means to be secure. Small nations have never been secure, nor will great nations be so in the future unless their policy is wise. Competition in military strength may continue, but it will no longer dominate world politics. Those who have no policy are at a loss, and have to do some hard thinking.

"While power was dominant, those who lacked an adequate policy could sit back and blame power-politics. But now the bluff of power has been called, and the choice is race-suicide or race-policy. Can it be that the future lies with those who can best think?"

It surely does not take much hard thinking to come to the conclusion that in their own interest, nation states should work together toward supra-national communities.

Such communities can grow in different ways and from different sources. Our Commonwealth of Nations, for instance, has evolved from an imperial centre through the transformation of colonial dependencies into free states who have chosen to remain in political association with each other and with the parent state. Evolution without revolution has been of unique value not only to the nations

most directly concerned, but to the world at large. That world should not forget what it owes to the United Kingdom for originating and directing this process -- which, of course, has not been completed. I can assure you that Canada is happy about its position in the Commonwealth and has no desire to see that position weakened. To us it means independence to which something else has been added.

The Commonwealth has never been a static association. It has been able to adapt itself to changing conditions and thereby influence those conditions. In recent years its value has increased, and taken on a new significance, by the membership of India, Pakistan and Ceylon, and by the steady move toward qualification for such membership of other Asian and African political groups.

In this way, the Commonwealth provides a bridge -- at a time when there are all too few of them, and when they are desperately needed -- a bridge between Asia and the West.

Another impulse to international community development comes from the realization by contiguous nations, with shared political ideas and traditions and interests, that they would be much more adequately equipped to face the political and economic problems, and exploit the political and economic possibilities of today if they could remove the boundaries and barriers between them: in short, become integrated.

The contemporary illustration of this trend which first springs to mind is, of course, the move toward European unity. It is a move which must surely commend itself first of all to Europeans themselves, who must remember best how much their continent has suffered from disunity; more especially from the tragic feud over the centuries between Gaul and Teuton. The movement will also, I believe, be welcomed by non-Europeans of good will - this certainly includes Canadians - who see in it not merely the strengthening of the shield against aggression from the East, but also a more solid foundation for the prosperity and progress of the united peoples of Western Europe who are such a vital part of the Atlantic community. I hasten to add, however, that as a strong believer in the freest possible kind of international trade, Canada's approval of the economic aspects of European integration, without which I suppose the political could not take place, is given on the assumption that in this case the whole, while greater, could not be higher, more restrictive, than its parts. I am thinking of restrictions in the way of trade, of course, about which a country which exports as Canada does, about one-third of its gross national product takes a somewhat

jaundiced view, one which would be fully understood by a country like the United Kingdom which has flourished and grown great by its commerce with all parts of the world.

We should, I think, favour European unity for another reason. Western Europe has great resources of wisdom, strength and energy which, along with its traditions of freedom and culture, qualify it to play a powerful and constructive part today in world affairs. It can play this part most effectively, if the area of united or at least closely coordinated political action is enlarged.

This enlargement therefore is something which, I think, we should encourage and support, without -- and I am talking now about North Americans -- being too insistent in our advice as to how it should be done, or becoming too impatient if it is not done overnight. After all, as Mr. Bulganin reminded us last week, 'Moscow was not built in a day'. I do not myself see anything in this move to European unity which should hinder in any way the growth and coming-together of the Atlantic community. Quite the contrary. Nor do I see anything necessarily inconsistent between the closest possible association of the United Kingdom with this European development, and the maintenance and even strengthening of its ties with the rest of the Commonwealth.

I appreciate, of course, that while this country is part of Europe - history provides grim as well as glorious reminders of that connection - it has also a wider destiny and wider interests. The world owes much - some states indeed owe their very existence - to the fact that the vision of the British people has ranged across the oceans as well as across the channel. I do not forget this debt when I express the hope that this country, so rich in political sagacity, so steeped in political experience, and which has provided Europe with imaginative leadership more than once in history, will play an active and constructive part in the efforts now being made by European states to adapt themselves to new conditions which require their closer association. Such a part would represent an important contribution to the development of something more important and far-reaching even than European unity itself - namely the Atlantic community.

I see in that community three essential parts: a North America which must not lapse into continentalism; a Europe whose free and democratic countries must achieve the greatest possible unity, both for defence and development and to ensure that no one of them will dominate the others; and finally, the United Kingdom, the bridge between the two, linked to Europe indissolubly by many ties and perhaps, above all, by the complete disappearance of the Channel in the

air-atomic age; but linked also to North America in a unique way, because that continent - I hope that I will not be misunderstood in putting it this way - is now occupied by two former English-speaking colonies; one of which is proud to retain its political and monarchical association with the 'Old Master'.

We have now laid the foundations of this Atlantic community in NATO. Indeed that may be the most important thing that we did when we signed in Washington seven years ago the treaty bringing this international organization into being. On the other hand, what we did then may prove to have been as insubstantial and ephemeral as the signatures attached to many an international agreement which at the time seemed a veritable Magna Charta, but whose very name can now be found only in some doctrinal thesis. The near future will tell. There is no assurance yet that NATO will survive the emergency that gave it birth. That emergency was itself born of the fear - for which there was sufficient evidence - that unless the Atlantic countries united their resources and their resolve to defend themselves, they might succumb to aggression one by one. It seemed clear when the NATO Pact was signed, even to the mightiest power, that national security could not be guaranteed by national action alone: So we built up our collective defences and by our unity and strength have made NATO into a most effective deterrent against aggression. In doing so we have removed the greatest temptations to aggression: disunity and weakness.

If however, international tension now seems to ease, and the threat of direct military attack to recede, the fear which brought NATO into being in the first place will also recede; and the temptation to relax our defence efforts and indulge in the luxury of dissension and division will increase.

We may, in fact, be approaching a period - if, indeed, we are not in it - when NATO will lose much of the cohesive force which has hitherto held it together. There are those who are counting on this loss being fatal to the whole concept of NATO and the Atlantic community.

These dangers must be faced. Defence strength and unity must be maintained, yet we may not now have for this purpose the same incentive which we have had before. We must, therefore, develop a stronger bond of unity than a common fear. As the challenge of the Communist nations to our free institutions takes new forms, avoiding tactics and policies which risk nuclear devastation, NATO should in its turn, while maintaining whatever collective military defensive strength is necessary, develop new impulses for unity and community.

NATO cannot live on fear alone, nor can it become the source of a real Atlantic community if it remains organized to deal only with the military threat which first brought it into being. A new emphasis, therefore, on the non-military side of NATO's development is essential. It would also be the best answer to the Soviet charge that it is an aggressive, exclusively military agency, aimed against Moscow.

We are now faced by the challenge from the Communist bloc of competitive co-existence; or, to put it another way - of all conflict short of full scale war. This may be an improvement on the imminent possibility of nuclear devastation, but it is a long way from the security of co-operation co-existence and it has not removed the menace of Communist domination.

The NATO countries must find the answer to this new challenge; by demonstrating the quality and value and sincerity of their co-operation, between themselves, and with all members of the international community. We have here a new opportunity as well as a new challenge, and if we do not take advantage of it, speeches about the Atlantic community will, before long, have as little meaning as those about the lost continent of Atlantis. As the material and technological gap between the NATO countries and the Soviet bloc diminishes, it will be all the more important to maintain the distinctions in other and more important respects: and to ensure that these are more fully understood and valued.

This will require closer cooperation - political and economic - within NATO than has been the case; finding new ways by which we can build up and strengthen our own sense of community --and show others that what we are building is no selfish and exclusive way.

I hope that the meeting of the NATO Council later this week will find the answers to some of these questions. And begin a serious and practical search for the others. So it should be an important meeting, if not an easy one. At it we may find ourselves discussing policies rather than power; aims rather than arms; division rather than divisions.

NATO, in truth, is now at the crossroads of its existence. If it is to be forward, and in the right direction, it must concentrate on ways and means of bringing its members closer together politically, without weakening its defence unity and strength. For this purpose the Council must become a more effective agency for consultation and cooperation than it has been.

It must be given more authority and its meetings, with ministerial attendance, should be more frequent. Through the Council, consultation should be developed into an accepted custom, to the point where no member would think of taking action which affected the others in any substantial way - either politically or economically - without prior discussion with those members in NATO.

For this purpose I do not see the need for any substantial organizational changes or for any amendments to our treaty. Nor do I think that NATO should try to make special economic arrangements between its members or be charged with the duty of removing trade barriers. There are other international agencies which have been specially set up for this purpose - such as GATT and OEEC - and we do not want duplication. I doubt also whether NATO is the agency best equipped actually to provide aid to materially under-developed countries. In this matter, the United Nations should, I think, be brought more and more into the picture. I do not mean that the world organization should be the sole or even possibly the major executive agency for international aid or replace practical and successful operations like the Colombo Plan. Its special value would be to provide a forum where all assistance plans could be co-ordinated and policies discussed. I think also that the USSR should be encouraged to participate fully in such United Nations discussions. It would give us a very good opportunity to test the nature and the substance of her participation in this field of international economic assistance.

In political and economic consultation NATO's role, as I see it, is more limited, but more precise and politically more significant in that here discussions are between closely co-operating friends who are trying to bring about not merely the co-ordination, but the closest possible identity of plans and policies. As the mechanism for this process NATO can become the foundation for the Atlantic community of the future. It must in fact develop along these lines or it will drift into futility and may ultimately share the fate of other international agencies which disappeared because their roots were not deep enough for survival and growth.

May I close with a story, substituting only one or two words in the original, to fit this particular occasion:

"Making her debut at a NATO gathering, a young matron sat silently through a two hour discussion of the Atlantic community. Afterward, she thanked the women to whose spirited pros and cons she had listened.

"'I'm awfully glad I came,' she said, 'because I was so terribly confused about the Atlantic community. Of course, she confessed, 'I'm still confused, but on a much higher plane.'"

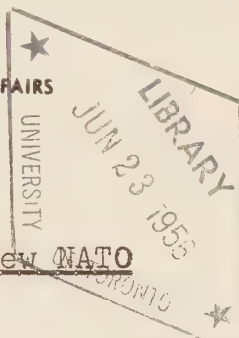
If after my talk you are still confused, as you may well be, I dare to hope that it is at least confusion on a higher plane.

S/C



STATEMENTS AND SPEECHES

571-
INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA



No. 56/16 International Co-operation and a New NATO

An Address by the Secretary of State for External Affairs, Mr. L. B. Pearson, at the Commencement Exercises, Clark University, Worcester, Massachusetts, June 3, 1956.

It is my agreeable first duty, Mr. President, to express my sincere gratitude through you to Clark University in having done me this signal honour in inviting me to be the speaker this afternoon at your 66th Commencement ceremonies. I should like also to express to my fellow-graduates here assembled my congratulations on earning and securing their degrees, and to wish them all success and happiness in the years ahead. There is perhaps a certain element of injustice in these proceedings. You are now receiving your degrees, after four years of conscientious and demanding study. I receive mine for making one speech. Incidentally, I have noted, Mr. President, that you have been generous enough to confer this degree upon me even before I have spoken. In any event, I am happy to be with you on this occasion, and to receive this honour from a University which has won for itself an enviable reputation.

It is pleasant to reflect that, just as with many other centres of learning in the United States, Canada has long had fruitful connections with this University. More than thirty years ago, Dr. Hugh Keenleyside, Director General of the United Nations Technical Assistance Administration, and an old friend and colleague of mine, did his post-graduate work here at Clark University, and at present he is a representative of the alumni on your Board of Trustees. You have also with you, in your division of Business Administration, Professor James A. Maxwell, my sponsor today, and one of the many Canadians who can be found on the teaching and research staffs of United States universities.

For many years now, you have welcomed Canadian students, and made your scholarships as freely available to them as to your own citizens. Although we are not always happy when many of those who come to you decide to stay on this side of the boundary, it is, I think, true that academic

exchanges have enriched our university life and form some of the most important ties which bring our two countries together, in neighbourliness and friendship.

Although we in Canada are, and propose to remain resolutely Canadian, when we cross the border, we do so, I hope, as good neighbours and as good friends. I take the greatest pleasure, therefore, in speaking to you as a Canadian in this scholarly and friendly atmosphere.

In recent years there have been expressed in our two countries growing misgivings about certain educational trends, which seem to some to be leading to mass production of university graduates by a process of academic automation. We worry also lest in this process emphasis on the practical side of education - on its post-graduate cash value - should be at the expense of a grounding in those humanities which mould man's nature, enrich his spirit, and widen his horizons; and which are, and should remain, the basic support for any free society of educated men.

On the other hand, we worry - and with reason - about the fact that the number of trained engineers and scientists being graduated from our universities is inadequate for the growing demands made by a society whose techniques are increasing in complexity; and where material well-being, flowing from the transformation of yesterday's luxuries into today's necessities is increasingly dependent upon the scientist, the engineer and the technician.

It is well that we should think about this problem for what is happening in education, both on this continent and throughout the world, is a matter of the utmost importance to every citizen; and not least to those of us who are concerned with public affairs, domestic and international.

This, of course, is no new problem, although we may be seeing it in a new and more urgent manner. A proper education for the good life has been a subject which has long attracted the interest and the ingenuity of philosophers and scholars. I have been reading lately, for example, Henry Peacham's "The Compleat Gentleman", which first appeared in 1622, in which the author discusses at length how to produce the qualities and the accomplishments which were essential to the English gentleman of that day. What struck me most about his precepts, and the type of person to be produced by them, was the great versatility which Peacham's Compleat Gentleman must possess. It was taken for granted, for example, that he would be fully familiar with Greek and Roman literature, could play upon the viol and the lute, and turn his hand on suitable occasions to a song or an ode or a sonnet or a painting. He should be skilled in horsemanship and in the use of arms, in heraldry and in navigation. In other words, he had to be a summa cum laude and a five-letter man! Versatility was the keynote - while today it is specialization,

where the expert learns more and more about less and less; though not, I hope, reaching the point where he knows everything about nothing. The politician progresses, it is alleged, in the opposite direction until he comes to know practically nothing about everything!

From Plato - through Peacham - to our own time, it has been assumed that the purpose of education is to prepare a citizen for a rich and full life in terms of the society in which he will be living. But this society, as we know, is constantly in a state of change. In the last fifty years the changes have been more significant and far-reaching, I suspect, than in the previous two thousand.

Liberal education in the great Elizabethan age - restricted as it was to the few - was well designed to produce Peacham's desired product for that age; the well-informed and versatile citizen capable of turning his hand or his mind to a very wide variety of duties and accomplishments.

It would be agreeable to believe, although I think difficult to establish, that the mass educational procedures of our own day are equally well designed to produce citizens who are well-informed, wise and public-spirited; able to face and solve the problems of living in a world which has discovered the means of destroying itself as well as of enriching itself beyond all our dreams.

The test of the value of your education to you, as a person, may well be whether, when you have to call on yourself in moments of crisis or decision, you find "anybody at home". The test of its value to you as a citizen will be your wisdom and your sincerity and your understanding in reaching the judgments which collectively determine a nation's policy - for better or for worse.

These tests for education are more significant, I suggest, than one provided by the question which we hear so often these days: "Are we in the free world turning out as many scientists and technical experts and engineers as the Soviet Communist world?" That, I admit, is an important question, indeed a vital one, so long as "science is harnessed to the chariot of destruction" in a contest between worlds deeply divided by fear and hostility and ignorance. Nor is the answer one to give us much comfort.

In 1955 the United States trained 23,000 engineers, about half the number of five years ago. More alarming even is the fact that there is a progressively increasing shortage of science teachers.

Soviet scientific and technical training, on the other hand, is producing far greater numbers of trained graduates than we seem likely to be able to do on this continent, and that number is increasing.

A recent survey showed that, in 1953, there were 5,800,000 people in the United States with higher education. In the U.S.S.R. there were only about 2,000,000; but the number at work in the applied sciences was about the same as in the United States.

In 1954, 60 per cent of Soviet graduating classes had majored in science; in the United States only 8 per cent. In the same year, the U.S.S.R. graduated more engineers and scientists than the United States and Western Europe together. One count shows that last year the U.S.S.R. graduated 60,000 engineers, the United States 22,000, and the United Kingdom 3,000.

We have no means of comparing exactly the standards of training between the Soviet and North American education, but I think it would be unrealistic on our part to doubt the fact that the U.S.S.R. is now quite capable of producing scientists, engineers and technicians, comparable in ability and training to those of any of the non-communist countries.

The Soviet educational system which produces this result operates on two basic rules: obedience and industry. The individual is brought into the system at the age of three and remains in it for fourteen years or so. Then, if he can qualify, he proceeds to higher institutions of learning where he works a six-day week, and works hard. The principle of education without pain or of learning through play is wholly rejected.

Furthermore, 47 per cent of the students' working time is devoted to science and mathematics. By comparison a recent survey showed that only 8 per cent of United States students study chemistry, 5 per cent take physics and a little over 20% take general science.

We do not, then, come off very well in comparison with Soviet Russia in the test applied to our educational system of quantitative results in the engineering and scientific field. That test, however, is not the most important one that we face; though it is important enough, in all truth.

Even if this continent turned out engineers and scientists by the hundreds of thousands each year, that would not alone enable us to meet the new communist challenge of "competitive co-existence." In the short run it would give us a greater feeling of security. In the long run, it would not by itself give us much hope for the future.

Education is more than experiment and achievement in the natural sciences. It is more than proficiency with a test tube or an atomic reactor. It is, above all - and ever has been - the process of learning how to think honestly and straight; to appreciate quality and beauty wherever it may be found; and to participate with intelligence and tolerance, and be encouraged by society to do so, in that most important of all forms of free enterprise, the free exchange of ideas on every subject under the sun and with a minimum of every restriction, personal, social or political.

If we can not base our society on educated men of this type - and also get more and more of them into public service - we will have great difficulty in solving the political problems that face us - nationally and internationally.

I wish that I had time to discuss with you some of these problems; particularly in the international field, where I am supposed to be more or less at home, having been working in it now for about thirty years. I will mention, however, only two.

The first of these problems is the current - and I hope searching - re-appraisal of the North Atlantic Treaty Organization - in its non-military aspects, and of ways and means of developing greater unity in the North Atlantic Community. This work is being undertaken by a committee of three NATO Foreign Ministers who, incidentally have begun their work with one strike against them by being dubbed "The Three Wise Men".

NATO stands today at the very heart of the security of the free world, but a lot of people are so ignorant about it that they think it is a kind of breakfast food. Its defences protect the moral and spiritual basis of a vital segment of that world - as well as its physical security. Those defences are still needed. The danger of military aggression remains. So does the importance of collective strength to deter and, if necessary, repel it.

NATO also faces, however, at this time, a new challenge in the all-out political and economic offensive from Moscow. Our methods, especially in the fields of closer political and economic consultation must be adapted to meet this new challenge.

When NATO's task was almost exclusively military, the ways and means of providing defence against aggression could be thought of in terms of men and missiles. But the strength which NATO now needs, to cope with competitive

co-existence has to be cultivated also in terms of public attitudes and of consultation and of voluntary and close co-operation between all member governments.

To this end, the first task of NATO is to look to its internal strength and unity, and to resist those forces which would weaken it. This means that our cohesion must find a more durable basis than the fear which originally brought us together in 1949. We must seek out new ways of providing not only for the continued maintenance of a defensive shield against aggression, but also for strengthening the existing ties which bind members of the Atlantic Community more closely together. These ties, moreover, are not artificial creations; they existed long before NATO.

Since the war, the nations of Western Europe, with their vast reserves of knowledge, skills, and initiatives have moved toward a closer unity, the outward and institutional expression of which takes many forms.

Viewed against the background of narrow concepts of sovereignty and ancient enmities, the progress which has been made in the last ten years towards European unity is encouraging, though it is not as fast as some impatient souls would desire. Furthermore, expressed in practical forms, it gives Europeans more - not less - authority in playing their proper role on the world stage. And that is all to the good.

The island state of Britain, with its world as well as European responsibilities, can play an important part in this move to European integration by helping to bridge the gap between the interlocking and developing communities of Europe and the Atlantic. At the same time, the North American countries - the United States and Canada - must more than ever before realize that their destinies extend across the Atlantic.

While the other countries concerned have their part to play, it is, I think, true to say that European integration and the cohesion of the Atlantic Community - neither of which excludes the other - will proceed as far and as fast as the United States and the United Kingdom make possible by recognizing the importance of their own roles in bringing it about; and in a way which will strengthen the Atlantic area as a whole.

This, then, is the first task of the new NATO - to strengthen the internal unity of the alliance, to prevent centrifugal forces from sundering it; to build upon the

existing foundations of European and Atlantic unity, and to aid and assist the various initiatives to this end within the framework of the Atlantic community, and against the background of the broader international arrangements in which the Atlantic countries are participating as good citizens of the world.

Its second task will be to take advantage of any and every opportunity new soviet tactics may present to break through the vicious circle of suspicion and fear in the "cold war", in an effort to test Soviet aims and to bring about genuine negotiation. If we cannot do this by a forward looking and flexible diplomacy, and without yielding to the temptation to relax our defence effort, (though we may have to alter its character), then NATO will hardly survive.

We cannot move, of course, from open hostility or sterile "co-existence" to constructive international co-operation without the searching testing period which would be provided by attempts to settle the several important issues which still unhappily divide the Communist and non-Communist world. These issues will not settle themselves; nor will they be settled either by brandishing our swords, or by throwing them away. We must be certain in NATO that if they are not settled, it will not be our fault.

The unification of Germany by the free choice of its people; effective and agreed disarmament, the right of captive European peoples to decide their own future; a European security system; a united effort by the major world powers to make the United Nations work as it was originally intended to work; all these are the testing grounds of the future on which the Soviet peace offensive must be judged.

It would be rash indeed to be dogmatic, either positively or negatively, about the real significance of the changes which have taken place in Soviet policy since the death of Stalin. We should avoid unreasonable optimism, for orthodox communist revolutionary tenets may still be dominant in Russia, and there is no peace in them. But also we would be unwise to reject out of hand the possibility that a new and pragmatic approach to internal affairs may be developing among the Soviet leaders, combined with a desire on the part of their peoples to return to a more normal relationship with other peoples. If this tendency were to extend, or could be made to extend, to the conduct of Soviet foreign relations and to the many problems which still divide us, we could at last begin to see more solid grounds for hope and confidence than we have now.

Therefore without illusions or without despair we must hold ourselves ready to strengthen and encourage

any elements which wish to deal with the world as it in fact exists rather than as Marxist dogma pictures it. We must also be prepared, however, for the contingency that no such elements do exist, at least in a form seriously to influence policy.

This process of testing - of examination and discovery may be a long and difficult one. During it there is an obligation for NATO to maintain itself in readiness to deal with any emergency, military or diplomatic. By doing so, by steadfastly maintaining its basic purposes, and by demonstrating to the world that its continued existence is essential to the future of free men, it can play a vital part in leading the way forward from the bleak prospects of "cold war", or of a harshly "competitive co-existence", to the more distant horizons of world co-operation.

There is one other problem that I would like to mention, which those words, "world co-operation", bring to mind. It is that of international economic assistance. The problem here is to reconcile our obligations to the international community with those to our own people, to whom a government owes its first duty. But it is more than that. It is a problem, not only of what to do (and no country in the world has ever done as much as this country); but of how and why to do it.

The need for assistance to those countries which have not shared in our industrial and technical advances is real and demanding. It will never be satisfactorily met, however, merely by pouring in assistance in a form which, economically, may be a way of putting people on the dole; politically, may give rise to suspicion that there are strings attached to it; and technically, is beyond the capacity of the receiving peoples to administer effectively.

The Secretary-General of the United Nations uttered some wise words on this subject the other night when he said:

"We should not forget that it may be more difficult to live on the dole than to pay it. Few friendships survive a long drawn-out economic dependency of one upon the other. Gratitude is a good link only when it can be given and received without an overtone of humiliation."

A cynic might doubt whether gratitude, so often a "lively anticipation of favours to come", is a good link at all. The feeling of mutual assistance and co-operative effort is surely better. But that requires careful and sensitive planning; a clear understanding of why you are helping and are being helped.

This understanding can surely best be achieved by using the United Nations more and more as the clearing house for all forms of such assistance; as a place where plans can be discussed and related to each other; where purposes can be clarified and, if necessary, exposed. Where, on the other hand, suspicions can be removed when they are unjust and unwarranted.

This does not mean that bilateral aid such as Point IV, or aid under such arrangements as the Colombo Plan, should be abandoned, or taken over by the United Nations. That would be unnecessary and undesirable as well as politically unrealistic. But the United Nations should be brought more and more into the picture, and all its members pressed to accept their full responsibility. In this way, as Mr. Hammarskjöld put it, we may find "a sound basis for the reconciliation of the natural national interest with valid international considerations."

But why bother at all? Haven't we enough to do at home? I could spend an hour or so on this question. Here I can only say that while the element of goodwill and neighbourliness does enter into these matters, as it does in their domestic manifestations, equally or more important is the long-term consideration of our own enlightened self-interest.

Today we all want peace; more anxiously, perhaps, than ever before, because the alternative could be total annihilation. But we are not always willing to do the things or make the sacrifices that ensure peace. Are we willing to accept, for instance, the proposition that there will be no peace in this small world if it consists of "residential areas surrounded by slums."

The domestic analogy applies here. Every free democratic government today accepts the fact - and most of them act on it - that national stability, welfare and progress are not possible if the poor are allowed to get poorer while the rich get richer. Inequalities and deprivations that are considered intolerable mean unrest, ferment and ultimate explosion.

The same result will inevitably and inexorably occur internationally, if hundreds of millions of people feel condemned indefinitely to an existence below or on the edge of subsistence; hopeless and helpless and bitter; the easy victims for extreme ideas and extremist agitators.

The main and the final responsibility for avoiding this situation lies with the governments and the peoples concerned. We in more favoured parts of the world can only supplement their efforts, unless of course, those efforts are hostile to us. But, we would be well advised to do that, and primarily in our own interest.

Nor should we expect, as I have just said, much gratitude; least of all the United States of America which, I think, deserves it most, in terms of the magnitude of the assistance given.

The United States is the most powerful and the richest country in the world. Yet while great national wealth and power can achieve international recognition and respect, it rarely gains affection - and not too often even understanding. This is something to which the giant has to become accustomed.

All history shows this to be the case, and most recently, the history of the British Empire.

I was reading the other day an article by Mr. Eugen Weber, a British Professor at the University of Iowa, entitled, "European Reactions to American Policies", which contained some witty and perceptive reflections on this score. I will quote two paragraphs, while refusing to take responsibility for all the expressions he uses:

"The Greeks despised the Romans as Barbarians; no doubt the Egyptians in their turn despised the Greeks. We British have also had our time of greatness - our time of world supremacy. What were we in those days? We were perfidious Albion. We were a nation of long-shanked, long-toothed milords; of lean and angular spinsters; patronizing Cook's tours, gaping at European culture (which we were not supposed to understand); and calling loudly wherever we went for tea and for porridge. Now we are decaying, and only the memories of this great tradition still live on. We have gathered the distinction of decay. People prize us, like one of the riper sorts of cheese. We are supposed to enshrine and guard admirable traditions, a great cultural heritage, which no one seemed to suspect (or at any rate admit) a generation or two ago. It is wonderful what a little failure can do!

"Meanwhile, the Americans have taken over, more nilly than willy, the banner with the strange device of the white man's burden. They provide the perfidy, they provide the comic relief, they provide the gaping, uncultured tourists chewing gum and sipping cokes. They are the powerful and the rich, and for this they

must pay the penalty; and one part of the penalty is that they cannot be loved when they are feared .. or exploited."

On a day like this, however, I would not like to end on a note which suggests that one cannot be loved. Everything about this commencement suggests a happier and more hopeful mood. I know that you who are graduating are the beneficiaries indeed the very centre of that mood today. I hope that it may follow you in the months and years ahead when you will be privileged to put into action the sound principles and the good training that you have received at this University.

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RECENT DEVELOPMENTS IN DISARMAMENT

Excerpts from an address by the Minister of National Health and Welfare, Mr. Paul Martin, made to the Annual Convention of the Ontario Retail Pharmacists Association, Windsor, Ont., June 18, 1956.

. . . It will be recalled that during the past few years, United Nations efforts to achieve some measure of agreement on the reduction and control of armaments have been centred in the Sub-Committee of the Disarmament Commission in the work of which I have had occasion to participate. This Sub-Committee, which is made up of the representatives of five countries -- the United States, the United Kingdom, France, the Soviet Union, and Canada-- has now held four series of private talks, the latest taking place in London earlier this spring. In all, no less than 86 individual meetings have been held. The forthcoming New York meeting of the Disarmament Commission itself is for the purpose of receiving and considering the report of the Sub-Committee's work.

While the results of these prolonged discussions have in some respects been disappointing, they have demonstrated that there is substantial agreement among the Western nations as to the provisions which should be included in any satisfactory disarmament scheme.

At the same time, they have provided evidence that the Soviet Union does not yet appear willing to accept measures which the Western nations consider essential to the successful implementation of even preliminary steps towards disarmament. In particular, I have in mind the Soviet Union's negative reaction to the proposal put forward by President Eisenhower providing for joint aerial inspection and the exchange of blueprints for military installations.

In the past ten days, the inadequacy of the Soviet Union's position on the matter of controls has been given added emphasis. In letters addressed to the Heads of Government of the

other four powers represented on the Disarmament Sub-Committee, the Soviet Prime Minister, Mr. Nikolai Bulganin, has called on the Western nations to follow the Soviet Union's "initiative" of May 14 by embarking on unilateral reductions in the strength of their armed forces. Such action, the Soviet Premier has suggested, would be "of decisive importance" in leading to the creation of conditions more favourable to the achievement of a universal disarmament programme.

While these proposed cuts are to be welcomed as far as they go, this invitation would be more meaningful, it seems to me, if we had some concrete evidence that the announced reduction in Soviet forces would actually take place and that it would, in fact, be the expression of a genuine desire to follow a more moderate policy in the future and to renounce aggressive designs. Even if Soviet forces were to be reduced in numbers, the Soviet Union might still be left in possession of forces vastly superior to those available to the Western nations. And there would be no assurance that the demobilization would be accompanied by a corresponding reduction in equipment or that the savings realized as a result of these cuts in manpower would not be used for financing other projects to increase the war potential of the Communist world. Above all, the Soviet proposal does not touch the central problem which concerns us all -- the threat of nuclear warfare.

The Western Powers surely cannot assume that a mere declaration on the part of the Soviet Union of its intention to reduce forces is a peaceful gesture that will promote greater confidence. Such a move could equally be interpreted as a shrewd attempt to lure the members of the North Atlantic Treaty Organization to advance along the road of unilateral and uncontrolled disarmament to the point where they would be unable to provide for their security and where their very unity would be seriously compromised. Indeed, the Soviet leaders themselves have frankly admitted that their opposition to NATO has not changed and that they will continue their efforts to weaken and, if possible, to break up the alliance.

It would seem to me that this latest Soviet move points very clearly to the need for achieving disarmament through an agreed and safeguarded programme. If Mr. Bulganin and his colleagues are sincere and really wish to reduce their armed forces, why will they not agree to the establishment of adequate and effective controls as the Western nations have done in the proposals they have made in the United Nations Sub-Committee?

By adopting a more open-minded and positive approach to this central problem of control, the Soviet Union could do more to establish an atmosphere of mutual confidence than they could ever hope to achieve through the mere announcement of reductions which cannot be checked. I submit that our final

judgment should await such indications as will be provided by the Soviet approach to the future negotiations: this will be the acid test of their sincerity.

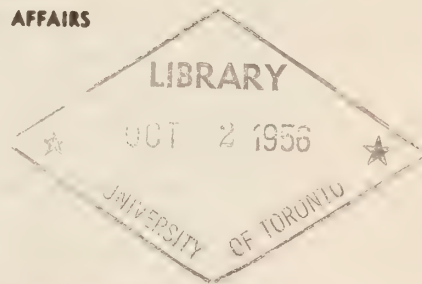
The problem of disarmament, like many of the problems facing the world today, cannot be solved by action on the part of one nation or group of nations alone. A solution can only be achieved through the whole-hearted co-operation of all members of the international community, whatever their political structure or ideological leanings. We can only hope that when negotiations are resumed, the Soviet Union will see fit to lend its support to collective measures which, in words of the "New York Times", "will make disarmament a blessing and not a trap in which freedom can die".

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SURVEY OF WORLD ECONOMY

A statement given July 18 by Mr. Lucien Cardin, M.P., Chairman of the Canadian Delegation to the 22nd session of the United Nations Economic and Social Council, in plenary meeting in Geneva. Mr. Cardin spoke on Agenda Item 2(A), "Survey of the Question of Full Employment and the Expansion of World Trade".

I would like to begin by joining the other delegations who have spoken before me in thanking the Secretary-General for the clear and perceptive statement he made when introducing this item. I would also like to thank the Directors of the Economic Commissions for Asia, Europe and Latin America for the analysis they made of conditions in these areas. Finally I would like to thank the Deputy Under-Secretary of the Department of Economic and Social Affairs and the Director of the Bureau of Economic Affairs and their staff for preparing the report entitled World Economic Survey 1955.

My delegation believes these reviews will provide a useful guide for governments in formulating economic and financial policies over the next few years. Of particular value, in our view, are those parts of the Survey dealing with the growth of production and trade during the past ten years. By providing stimulating analyses of these developments and basic statistical data, the Survey sheds new light on the current situation and facilitates a fuller understanding of many problems.

It seems to me that a most significant point emerging from these reviews is the remarkable growth that has taken place in the world economy during the past ten years. The earth now supports a larger population than ever before. The habitable area has been enlarged. Agriculture is producing larger quantities of food and raw materials. In this decade industrial output has more than doubled. Productivity has sharply increased. The volume of international trade has expanded 50 per cent. The so-called dollar gap has been narrowed from 10.4 billions in 1947 to 2.4 billions in 1954. Gold and dollar reserves have substantially increased.

An important feature of this development is that, since the hesitation of 1954, the more industrialized countries of Europe and North America seem to have generated a new phase of economic expansion. Recent growth is marked by the fact that it is stimulated and sustained by rising fixed investment and consumption of durable goods. Perhaps the significance of this can be illustrated by recalling that the previous upsurge was based on government expenditures for defence and an inventory boom resulting from the outbreak of hostilities in Korea. It has also been accompanied by a sharp increase in the volume of world trade including a five per cent increase in purchases by industrialized countries from primary producers. This expansion has not been accompanied by any serious problems of internal or external balance.

An important result of these developments is that the doubts created by the pre war depression over the ability of free men to control economic forces has been replaced with a growing confidence that we can, to a considerable degree, harness the economy to ensure rising levels of material welfare. This new confidence has led to the adoption of a variety of measures aimed at maintaining continued economic growth under stable conditions. In recent years efforts in this direction have largely taken the form of monetary measures. Inflationary and deflationary forces seem to have been kept in a reasonable degree of balance. We may agree with the world economic survey that "one decade of prosperity provides no proof either that the world has acquired permanent immunity against the business cycle, or that the national and international remedies in its medicine chests would be sufficiently potent to cope with another of the disease". At the same time I believe it is fair to say that we have acquired a better understanding of the interplay of economic forces and increased our capacity to achieve both security and progress under conditions of freedom.

Social as well as economic benefits have been widespread. The large-scale unemployment that existed in industrialized countries in the pre-war period has been wiped out. The same areas have achieved a substantial rise in standards of living. The increased use of progressive taxation and adoption of social welfare measures have resulted in significant improvements in the distribution of income.

On the other hand my delegation is concerned over the fact that large numbers of people still live in poverty. Despite ten years of unparalleled growth the increase in living standards in under-developed countries has been far less than we would wish. Incomes have not yet grown to the point where they generate annual savings at a rate adequate to finance a continuing expansion of productive capacity per head of population. Much under-employment remains and there is still a scarcity of capital. Inflation and balance of payments difficulties have not yet been overcome.

At the same time my delegation believes that an accurate assessment of the position of the less-developed areas must also take account of the fact that they have made some real gains. As pointed out by the Director of the Economic Committee for Asia and the Far East, this and other areas are evolving a new social philosophy favourable to economic development. Furthermore, they have expanded their networks of transportation and communications and increased production of energy. They have introduced increasing amounts of modern science and technology into their countries and important advances in public education have made inroads upon illiteracy. New industries have been established. Agriculture, mining, and manufacturing have each expanded at about the same rate as in the industrial countries. While manufacturing is in the main directed to the production of consumer goods, a few of these countries have achieved a more rapid growth of heavy industry than consumer goods industry. A combination of increased exports and improved terms of trade has raised their purchasing power. Capital formation has risen significantly in both absolute amounts and in relation to output. Without in any way trying to minimize the seriousness of the situation existing in these areas, I believe it is fair to say that they have greatly strengthened their basic economic position and increased their chance of accelerating their future rate of growth.

My delegation shares the belief, expressed by the representatives of less-developed countries in this council, that the main responsibility for their future growth rests with themselves. To the extent that these countries can develop liberal trading policies, sound internal fiscal policies, equitable and effective tax systems, well-considered development programmes, and general improvements in their administration, they will increase their current income and attract more capital from at home and abroad.

The Canadian Government firmly believes that the industrialized countries can assist the developing areas by making every effort to increase and where possible stabilize international trade. We are in complete agreement with the Secretary-General that "A proper perspective requires us to bear in mind that international aid can never be an adequate substitute for stable and growing export earnings".

I would suggest that a most effective way to maintain a growing trade is for both the less-developed and the industrial countries to cooperate within the framework of the General Agreement on Tariffs and Trade. The early establishment of the Organization for Trade Cooperation to administer GATT on a continuing basis would, in our view, make the agreement still more effective.

The GATT, of course, is primarily intended to facilitate and expand trade amongst countries within a largely free-enterprise economic system. The countries that value such

a system, internationally as well as nationally, will naturally wish to safeguard and strengthen it. Nevertheless our efforts to expand trade do not need to be confined within the limits of this system. We in Canada are glad to enlarge our trade with countries which have, to use the language of the Survey, "centrally planned economies". Only this year my government reached a trade agreement with the USSR which, we hope and believe, will prove beneficial to both parties.

The Survey suggests that the world trading community is divided not into two, but into three segments: that, in addition to the "centrally planned" segment, there is also the so-called "dollar" segment and the segment based on the European Payments Union. While there is some basis for this latter distinction it should not we think be given too much emphasis. Naturally by the very fact of geography there is a very large amount of trade between my own country and the United States, which both use dollars. Naturally, the countries of Europe have a large amount of trade with each other. But statistics, apart from geography, can be misleading. Our aim should be to break down trade barriers, both within and between regions. The protection of inefficient industries is just as uneconomic, and just as undesirable, whether the competition comes from a neighbouring country or from the other side of the world.

In conclusion, I should like to follow up certain remarks made by the Secretary General. His analysis, which I found most persuasive, puts into perspective the importance of the question of commodity stabilization. I would gather from his statement that, in his view, this question overshadows two others with which we have wrestled from time to time in this Council -- the question of full employment in the industrialized countries and of special aids to development in the less-developed countries.

After identifying the problem, the Secretary-General proceeded to suggest the avenues along which we should, and should not, seek solutions. "There is no magic formula" he said "for solving the problem of commodity price stability". And again "it is not so much new machinery or new gadgets that are required: what is necessary is proper education and goodwill, both of the public and of governments."

He referred to three commodities for which some form of stabilization already exists: wheat, sugar and tin. My government is glad to be associated with all three agreements. To us, wheat is by far the most important of the three because we are one of the world's great wheat producers. Canada could get along without the International Wheat Agreement, but we greatly prefer to get along with it. We take some pride in the part we have played in getting it started and in making it work. It provides for a wide area of flexibility: prices can move between the agreed ceiling and the agreed floor without involving any members in obligations. But at the floor the consumers are

obliged to buy: and at the ceiling the producers are obliged to sell. Such an arrangement seems to us to provide, in the case of wheat, that very measure of basic stability about which the Secretary-General was so concerned, while at the same time allowing wide flexibility and adaptability to changing circumstances.

We think there are several lessons to be learned from this experiment which, on the whole, has seemed successful. First, each commodity is unique. For each product there is a group of main producers, a group of main consumers, and a set of established marketing channels. These differ from one commodity to another: no attempt to deal with wheat would have been successful.

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No. 56/20

"AMERICAN INVESTMENTS IN CANADA"

Excerpts from an address by Mr. C.D. Howe, Minister of Trade and Commerce, to The Canadian Club of Chicago, October 15, 1956.

....These remarks are addressed particularly to United States businessmen who have investments in Canada or who contemplate making investments in Canada. At the outset, let me make one thing quite clear: the Canadian Government and, I have reason to believe, the vast majority of the Canadian people have welcomed, and will continue to welcome, investment from the United States. We are not allergic to outside capital.

It is well understood in Canada that to put obstacles in the way of capital imports would involve a cut-back in the Canadian rate of development. This is so partly because our need for capital exceeds our rate of savings, and partly because of the Canadian pattern of investment.

At the present time Canadians, individuals and corporations, are saving a higher proportion of their incomes than Americans. But even so, they are not saving enough to finance the current rate of capital investment, which is quite fantastic. The face of Canada is literally being transformed.

Since Canada is the freest of free countries and there are no obstacles to capital movements, inward or outward, some Canadians have chosen to invest abroad, as well as at home. It may come as a surprise to you to learn that, on a per capita basis, Canadians have invested more in the United States than Americans in Canada. The proportion in favour of Canadians is two to one.

The net result is that about three-quarters of Canada's current capital investment is being financed out of domestic savings, and the balance by imports of capital, mostly from the United States.

As I have said, we welcome this inflow of capital from south of the border. We welcome it the more because it has brought with it managerial enterprise, production and

marketing experience, engineering and technical know-how and research, modern equipment, and perhaps most important, skilled American men and women who have helped to build up our own country more rapidly than we could have done ourselves.

Both the United States and Canada have benefited. The United States has found new markets and obtained new sources of raw materials. A goodly proportion of earnings of United States controlled corporations in Canada--something like one-half in recent years--has been reinvested in Canada. The rest has been freely transferred in the form of dividends to American parent companies and shareholders.

Canadians have been able to speed up their own economic development. New resources have been proven up, our northern frontier has been pushed back, and new factories have been opened, providing more opportunities for employment and the improvement of earnings.

If both countries have benefited from this flow of capital northward, is there anything more to be said? I think there is.

I am going to make a number of suggestions to United States business men who operate branch plants in Canada or are considering doing so. You may not accept them; you may not agree with them. You may have better methods of achieving the same result. I do wish you to know, however, that these suggestions have one purpose and one purpose only, namely, to underpin the friendly and harmonious economic relations that now exist between Canada and the United States.

Because of our closeness to the United States, our similar institutions and habits and the way we do things, Americans often treat Canada, for business purposes, almost as a part of the United States. In a sense this is a good thing, a tribute to common sense. But it has its dangers if it leads American business men to treat branch plants in Canada just as if they were located in the United States.

In my judgment, this is not likely to be the most successful method of conducting a subsidiary business enterprise in Canada. Certainly, it is not the method calculated to make the most friends and influence the most customers in Canada.

I suggest to you a very simple rule. Other things being equal, it is good business for a Canadian subsidiary of a foreign company to become as Canadian as it can, without losing the benefits of association with the parent company. In many countries, of course, there are rigid laws applying to foreign controlled companies, requiring them, for example, to give local inhabitants a share in the enterprise and requiring them to employ a minimum proportion of local labour and so forth.

There are no such laws in Canada. I hope there never will be. I believe that those who are prepared to share with Canadians in the risks of developing our country should be as free as Canadians themselves in deciding how to conduct their enterprise.

Nevertheless, anyone who does business in Canada should reckon with the pride and the legitimate pride of Canadians in their country. In other words, they should reckon with the normal feelings of nationalism which is present in Canada, just as it is in the United States. Canadians do not like to be excluded from an opportunity of participating in the fortunes, good or bad, of large-scale enterprise incorporated in Canada but owned abroad. They may not buy many shares, but they resent the exclusion. They do not like to see large-scale Canadian enterprises entirely dependent upon foreign parents for their research and top management. They do not like to see the financial results of large-scale Canadian enterprises treated as if they were the exclusive concern of the foreign owners.

I make bold therefore to offer three suggestions for the consideration of United States corporations establishing branch plants in Canada or searching for and developing Canadian natural resources:

(1) Provide opportunities for financial participation by Canadians as minority shareholders in the equities of such corporations operating in Canada.

(2) Provide greater opportunities for advancement in U.S.-controlled corporations for Canadians technically competent to hold executive and professional positions;

(3) Provide more and regular information about the operations of such corporations in Canada.

I am pleased to say that an increasing number of American companies are now giving Canadians an opportunity to participate in the equity holdings of Canadian-operated enterprises. This is an encouraging trend. Canadians welcome this development, not just because it is in Canada's national interest, but also because we think it makes good business sense from the point of view of the American parent corporation.

I was told that Canadian taxation discouraged Canadian participation in Canadian subsidiaries. If it did, that particular obstacle has been removed, at least insofar as Canadian law is concerned.

The agreement for the avoidance of double taxation between the United States and Canada provided for certain tax advantages for parent companies controlling 95 per cent or

more of the equity of the subsidiary corporation in the other country. Last summer the United States and Canada reached an agreement, subject to ratification by your Congress and our Parliament, whereby the percentage of share ownership, entitling the parent company to a reduced rate of 5 per cent on dividends from its subsidiary operating in the other country, has been reduced from 95 per cent to 51 per cent. This amendment of our taxation agreement with the United States has since become law in Canada. It is still awaiting ratification by the U.S. Congress. Our Government made it quite clear, in proposing this amendment to the Canadian Parliament, that the new tax arrangement was designed to encourage U.S. parent corporations to give Canadian investors opportunities to buy share ownership in their subsidiary companies in Canada. Hence, as far as Canada is concerned, the tax disadvantage that used to exist for a U.S. corporation offering Canadian minority equity holdings in U.S. branch plants has been removed.

Undoubtedly, there are other difficulties, difficulties about exchange of reasearch between parent and partially-owned subsidiaries, difficulties of control of subsidiaries with minority shareholders. That these are very real difficulties I would be the first to admit. I ask only that they be weighed in the balance against the advantages in terms of goodwill of giving Canadians a sense of identity with the United States-controlled enterprises.

My second suggestion is that Canadians should be given greater opportunities for advancement in subsidiary enterprise controlled by United States parents. I am pleased to report that more and more U.S. corporations operating in Canada are hiring Canadians for responsible positions, when well-qualified people can be found, and that young Canadians are being advanced as rapidly as their ability and experience will warrant. Responsible Canadians are being invited to sit on Boards of Directors. If this trend continues, there will be little for Canadians to complain about.

My third suggestion is that U.S. corporations should report the results of operations of their subsidiaries in Canada. As you are aware, the S.E.C. requires regular reporting by all the large corporations in the United States. We do not have similar regulations in Canada. Nevertheless, the Canadian public is interested in knowing how these large Canadian corporations are getting on in Canada. Since many of our large corporations are U.S.-controlled, the demand for the release of such information at regular intervals, say in the form of annual reports, has been increasing.

One U.S. corporation, with a 100 per cent controlled subsidiary operation in Canada, added a supplement to its last annual report outlining the extent of its operations and its

achievements in Canada. This endeavour to let Canadians know how this company is doing with respect to operations in Canada was well received. It could serve as a useful guide to those who feel as I do that it is good business to treat branch plants in Canada as thoroughly Canadian enterprises.

These are my three specific recommendations. I believe they are worth careful consideration. I believe their adoption will be in the interests of United States corporations with subsidiaries in Canada. There may be other ideas equally good which serve the same purpose. Be assured of one thing, that my purpose is to improve business relations between the United States and Canada by giving Canadians a greater interest and a greater stake in the success of United States companies operating branch plants across the border.

Before leaving this subject, there is one other point very close to my heart as Minister of Trade and Commerce which I put before you for consideration. Branch plants are usually established to do business in the area they serve. But I ask you again to bear in mind that a branch plant in Canada is not the same thing as a branch plant in California or Louisiana. A Canadian branch plant is situated in a country that depends for its very existence upon international trade. It is situated in a country which maintains an external trade service which others tell us is second to none and which is ready to serve any Canadian enterprise, whoever owns it.

Too often, I regret to say, our trade representatives abroad turn up export opportunities for a subsidiary company operating in Canada only to find that the United States parent does not permit the export business to be done from the Canadian plant. Mind you, we do not object to doing occasional export promotion for United States corporations, but you will agree that it is rather difficult to justify the expense to the Canadian taxpayer!

Once again I recognize that there are problems. But I do plead for a careful re-examination of export policies affecting Canadian branch plants. Canada as a nation is an efficient producer. Given sufficient volume, Canadian plants can often produce as cheaply as United States plants. Sometimes, too, Canada has an advantage in duty in supplying goods to countries of the British Commonwealth; indeed, many plants have been established in Canada just to take advantage of this preference. I am not suggesting that United States corporations should act contrary to their interest. I am suggesting that they may be overlooking a good bet by not allowing their Canadian plants to take on more export business. By being prepared to accept export business United States-controlled subsidiaries will also act more like good, solid Canadian enterprises.

Mr. Chairman, that is the burden of my message to the Canadian Club of Chicago on this occasion. It has been a delight for me to be here and to meet such a distinguished group of men and women. No other two peoples get along better than Americans and Canadians. But no two other people have been thrown together so closely by geography and history and have a greater stake in mutual understanding. It is in that spirit that I lay before you my views and suggestions on one important phase of our mutual relations.

S/C

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STATEMENTS AND SPEECHES

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OTTAWA - CANADA



No. 56/21

CANADA - U.S. ECONOMIC RELATIONS

Excerpts from an address by Mr. C.D. Howe,
Minister of Trade and Commerce, to The
Milwaukee Association of Commerce, Milwaukee,
October 16, 1956.

...The Communists--and sometimes others who should know better--refer to Canada as a satellite of the United States. This assertion is so unfounded that it is barely worth denying. Nor do Canadians live in fear that the United States might at some time try to dominate them.

There is, however, in Canada a great and growing pride of country, not anti-American or anti-anyone, but strongly pro-Canadian. We are now engaged in a task, familiar to you, of forging a nation on the North American Continent which expresses the desires and the hopes of peoples of many different racial origins living over a vast area. We have been engaged on this task for less than a century and it is only in comparatively recent years that the hopes of those who founded Canada are beginning to be realized.

Today, Canada is amongst the most rapidly developing nations on the face of the globe--it may indeed be developing more rapidly than any other. It is expanding in all directions--in population, in wealth, in industrial output, in industrial skills. It is beginning to move north as the mineral potentialities of the Pre-Cambrian shield and the power potentialities of our great northern rivers are being realized. Oil and natural gas and iron ore, the sinews of modern industrial might, have been discovered in enormous quantities; not only discovered but are being mined and are already moving in volume to market.

Is it any wonder that there is in Canada a new pride of country? We are in many respects going through the same experience that the United States went through during the nineteenth century.

There are, however, some important differences between your experience and ours. In particular, the United States grew to industrial maturity at some distance from other great industrial nations and at a time when distance was more of a barrier

to communication and commerce than it is today. Canada is growing to industrial maturity sharing 3,000 miles of common boundary with the greatest industrial power the world has ever known.

This fact has been of very great advantage to Canada. Your capital, your research and your technical skills have been freely at our disposal, and your business men have had the enterprise to jump at the opportunities that have presented themselves to participate in Canadian development.

Nor have Canadians sought to interfere in any way with this fruitful inflow of money and ideas. Quite the contrary. There has been positive encouragement, not only by the federal authorities but by the provinces, which have a good deal of direct responsibility and interest in industrial development within their territories. It is recognized by all responsible elements in Canada that much of the impetus in our current development came from south of the border, particularly in those industries in which Americans are so highly skilled and experienced and in which Canadians have still much to learn.

I might interject to point out, however, that Canadians are, in fact, financing a very high proportion of their current expansion. Since Canadians are free to invest abroad as well as at home without restriction, they chose to invest a fair proportion of their savings outside Canada, mainly here in the United States. You may be surprised to learn, for example, that on a per capita basis Canadians have more invested in the United States than Americans have invested in Canada. We are, in fact, your most important source of outside capital. The result is that Canada has recently depended upon outside capital for about twenty-five per cent of her domestic requirements.

Although Canada is only marginally dependent upon outside capital, these figures do not wholly reveal the importance of United States capital, which has been prepared to undertake projects in Canada which, but for American initiative, might still be dreams, rather than actualities. Oil interests from the United States took the lead in the search for oil and gas in Alberta, which after so many early disappointments has paid off so handsomely. Incidentally, the largest and longest natural gas pipeline ever constructed anywhere in the world is now underway in Canada. It will extend from the Province of Alberta at the one end to Montreal at the other. In the West the main line will be 34" diameter and in the East 30". This pipeline, like so many of our gas and oil projects, is sponsored by United States interests, but I am hopeful that when it is publicly financed a majority of the common stock will, in fact, be taken up in Canada.

You in Milwaukee have a direct interest in this line. It may be that Canadian gas will in the near future add to the supplies available in the mid-west area of the United States. And a very large order for large diameter pipe is being filled by a steel mill located here in Milwaukee.

The opening up of the rich Ungava iron fields is another example of United States enterprise. I could cite many, many others. At the end of 1955, United States investments in Canada were valued at \$10.3 billion, a good deal of it concentrated in a few industries, principally oil and gas, mining, automobiles and the electrical industry, but large amounts also invested throughout our industrial structure.

Some of this is borrowed money; some represents minority stock holdings in Canadian companies; a great deal of it represents investment in wholly-owned subsidiaries in Canada, in other words in Canadian branch plants. All of it is welcome in Canada. There is in Canada, and I feel confident there will continue to be, no discrimination against outside capital. I hope that United States capital and enterprise will continue to be freely available to us. We need it. 1956 is the biggest capital investment year in our history. 1957 promises to be as big, if not bigger.

I do have a word of advice, however, to those who plan to establish branch plants in Canada or who are already operating them. Remember that these branch plants are in Canada, not in a state of the Union. They may be closer than branch plants in California or New Mexico but they are still in a different country. We are just as pro-Canadian as you are pro-American. We believe in the Canadian way of life, just as you believe in the American way of life. You will be more successful in doing business in Canada, therefore, if you Canadianize your branch plant operations as far as possible. To be specific, I suggest that you give Canadians a chance to buy stock in your Canadian companies, that you give Canadians, when they are qualified, a chance to manage your Canadian operations, and that you publish the financial results of your Canadian operations. Many United States companies already operate their Canadian plants on these principles with marked success. They have given Canadians both an interest and a stake in the success of their operations, which I suggest is good business for all concerned.

What I have been saying about the operations of United States controlled plants in Canada is capable of application to other aspects of our economic relationships. Consider, for a moment, trade between Canada and the United States. Canada is the best customer of the United States. The United States is the best customer of Canada. Trade between our two countries is greater than between any other two countries, amounting last year to \$6 billion.

But, too often, or so it seems to us in Canada, Americans take it all for granted. They take it for granted, for example, that Canada will continue to buy every year a billion dollars more from the United States than the United States buys from Canada. Americans apparently take it for granted that they will continue to be able to bring raw materials from Canada while placing high tariffs against imports of Canadian manufactures and threatening still further restrictions.

Now I am not saying that Canada is about to retaliate against the United States by raising barriers to imports from this country. I belong to a Government that has moved steadily in the direction of freer trade, which we believe to be in the Canadian interest, and in the interests of a peaceful world. Nor do I overlook the progress that has been made by the United States in the same direction in recent years.

It is just that I am convinced that Americans who sell goods to Canada and appreciate the value of the Canadian market would do well to remind themselves more often that Canada is a separate nation, not a state of the Union, a nation which in the long run can import only as much as it exports. If Americans think more often of their Canadian market in that sense, there will, I am confident, be greater support in this country for the kind of trade policies that will put United States-Canadian trade on an even more secure footing, and that will at the same time result in greater markets for United States goods in Canada.

When I think of how Americans and Canadians can work together as citizens of separate countries, living side by side, each respecting the legitimate interests of the other, I think immediately of the St. Lawrence Seaway which is of such vital interest to the city of Milwaukee. For many, many years Canada tried in vain to get the agreement of the United States to proceed with that great project. Finally, Canadian patience was exhausted. If the United States was not prepared to join in an international navigation project, Canada stood ready to go it alone.

Fortunately, that did not become necessary. Thanks to the unfailing support from communities such as your own, the opposition was overcome, and our two countries reached agreement and began work. I take this occasion to congratulate you on the success of your efforts.

Only a comparatively short time ago, the idea of Canada building the deep waterway by herself would have seemed absurd. But not today. This is a measure of the advance in economic strength of my country in recent years. That Canada stood ready to go it alone is another instance of the growing confidence of the Canadian people in their own capacity.

An international project was greatly to be desired, however, and Canadians have joined with enthusiasm in the construction of both the power and navigation aspects of the work. In fact, most of the navigation improvements are in Canada and will be paid for by Canada. We look forward, as you do, to an immense development following upon the completion of the improvements that will bring the ocean to the heart of the Continent.

I have been most interested to learn about and now to see at first hand the enterprise in preparing for the Seaway that is being shown at American ports along the Great Lakes such

as right here at Milwaukee. Thanks to the foresight and perseverance shown by the authorities of your city, Milwaukee is in a unique position to reap the full benefits to be derived from the completion of the Seaway. Your port is generally conceded to be the best equipped of all Lake ports to handle Seaway traffic as the result of almost thirty years of preparation for the day the Seaway would be a reality.

Our ports along the Great Lakes and the St. Lawrence are preparing, too, to handle a greater volume of business, some of which will come from the United States. As far as Canada is concerned, we hope that the Seaway not only means a new era for us, but that it more than justifies the hopes of those in the United States who supported it. We know that in this project, as in so many others, what is truly in the interests of the United States is also good for Canada.

Large ocean-going ships will, of course, use the Seaway connecting inland United States and Canadian ports directly with ports in overseas countries. This in itself will be a great step forward in the history of both countries. I am inclined to think, however, that the really outstanding benefits of the Seaway will arise from large lake freighters being able to traverse the Seaway all the way from ports like Milwaukee, Chicago and Duluth and Forth William and Port Arthur at the one end to Montreal at the other, without having to trans-ship from larger to smaller freighters which can navigate the present channels. The benefits will come partly from this saving in transshipment costs and partly from the economies which are inherent in the use of large lake freighters, one of the most economical methods of transportation in the modern world. We can look forward, I believe, to substantial reductions in freight costs between lake ports and the Atlantic Ocean...

I have sought today to plant a few ideas that will help you to understand perhaps a little better what is happening in Canada and what Canadians think about their economic relations with you here in the United States. They are simple, not profound ideas. They may be summed up in a few words. If you operate a business in Canada, give Canadians an interest and a stake in its success. If you export to Canada, remember that Canadians can buy only if they have an equal opportunity to sell.

Most of all, I suggest that in your business dealings you do not take Canada for granted. Much better results are obtainable if Canadians are treated as people with as much pride in their country as you have in this great country of which you are citizens.



STATEMENTS AND SPEECHES

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OTTAWA - CANADA

No. 56/22

MIDDLE EAST

A statement made on November 2 at an Emergency Special Session of the United Nations General Assembly by the Chairman of the Canadian Delegation, Mr. L.B. Pearson. The statement was made in explanation of Canada's vote on all parties involved in hostilities to agree to an immediate cease-fire and to halt the movement of military forces and arms into the area.

I rise not to take part in this debate, because the debate is over. The vote has been taken. But I do wish to explain the abstention of my delegation on that vote.

It is never easy to explain an abstention, and in this case it is particularly difficult because we are in favour of some parts of this resolution, and also because this resolution deals with such a complicated question.

Because we are in favour of some parts of the resolution, we could not vote against it, especially as, in our opinion, it is a moderate proposal couched in reasonable and objective terms, without unfair or unbalanced condemnation; and also, by referring to violations by both sides to the armistice agreements, it puts, I think, recent action by the United Kingdom and France -- and rightly -- against the background of those repeated violations and provocations.

We support the effort being made to bring the fighting to an end. We support it, among other reasons, because we regret that force was used in the circumstances that face us at this time. As my delegation sees it, however, this resolution which the General Assembly has thus adopted in its present form -- and there was very little chance to alter that form -- is inadequate to achieve the purpose which we have in mind at this Assembly. These purposes are defined in that resolution of the United Nations under which we are meeting -- resolution 377(V), uniting for peace -- and peace is far more than ceasing to fire, although it certainly must include that essential factor. This is the first time that action has been taken under the "Uniting for Peace" resolution, and I confess to a feeling of sadness, indeed

even distress, at not being able to support the position taken by two countries whose ties with my country are and will remain close and intimate; two countries which have contributed so much to man's progress and freedom under law; and two countries which are Canada's mother countries.

I regret the use of military force in the circumstances which we have been discussing, but I regret also that there was not more time, before a vote had to be taken, for consideration of the best way to bring about that kind of cease-fire which would have enduring and beneficial results. I think that we were entitled to that time, for this is not only a tragic moment for the countries and peoples immediately affected, but it is an equally difficult time for the United Nations itself. I know, of course, that the situation is of special and, indeed, poignant urgency, a human urgency, and that action could not be postponed by dragging out a discussion, as has been done so often in this Assembly. I do feel, however, that had that time, which has always, to my knowledge, in the past been permitted for adequate examination of even the most critical and urgent resolution, been available on this occasion, the result might have been a better resolution. Such a short delay would not, I think, have done harm, but, in the long run, would have helped those in the area who need help most at this time.

Why do I say this? In the first place, our resolution, though it has been adopted, is only a recommendation, and its moral effects would have been greater if it could have received a more unanimous vote in this Assembly -- which might have been possible if there had been somewhat more delay.

Secondly, this recommendation which we have adopted cannot be effective without the compliance of those to whom it is addressed and who have to carry it out. I had ventured to hope that, by a short delay and in informal talks, we might have made some headway, or at least have tried to make some headway, in securing a favourable response, before the vote was taken, from those governments and delegations which will be responsible for carrying it out.

I consider that there is one great omission from this resolution, which has already been pointed out by previous speakers -- more particularly by the representative of New Zealand, who has preceded me. This resolution does provide for a cease-fire, and I admit that that is of first importance and urgency. But, alongside a cease-fire and a withdrawal of troops, it does not provide for any steps to be taken by the United Nations for a peace settlement, without which a cease-fire will be only of temporary value at best. Surely, we should have used this opportunity to link a cease-fire to the absolute necessity of a political settlement in Palestine and for the Suez, and perhaps we might also have been able to recommend a procedure by which this absolutely essential process might begin.

Today we are facing a feeling of almost despairing crisis for the United Nations and for peace. Surely that feeling might have been harnessed to action or at least to a formal resolve to act at long last and to do something effective about the underlying causes of this crisis which has brought us to the very edge of a tragedy even greater than that which has already taken place. We should then, I think have recognized the necessity for political settlement in this resolution and done something about it. And I do not think that, if we had done that, it would have postponed action very long on the other clauses of the resolution. Without such a settlement, which we might have pushed forward under the incentive of fear, our resolution, as I see it, may not make for an enduring and real peace. We need action, then, not only to end the fighting but to make the peace.

I believe that there is another omission from this resolution, to which attention has also already been directed. The armed forces of Israel and of Egypt are to withdraw, or if you like, to return to the armistice lines, where presumably, if this is done, they will once again face each other in fear and hatred. What then? What then, six months from now? Are we to go through all this again? Are we to return to the statue quo? Such a return would not be to a position of security or even a tolerable position, but would be a return to terror, bloodshed, strife, incidents, charges and counter-charges, and ultimately another explosion which the United Nations armistice commission would be powerless to prevent and possibly even to investigate.

I therefore would have liked to see a provision in this resolution -- and this has been mentioned by previous speakers -- authorising the Secretary-General to begin to make arrangements with member governments for a United Nations force large enough to keep these borders at peace while a political settlement is being worked out. I regret exceedingly that time has not been given to follow up this idea, which was mentioned also by the representative of the United Kingdom in his first speech, and I hope that even now, when action on the resolution has been completed, it may not be too late to give consideration to this matter. My own government would be glad to recommend Canadian participation in such a United Nations force, a truly international peace and police force.

We have a duty here. We also -- or, should I say, we had -- and opportunity. Our resolution may deal with one aspect of our duty -- an urgent, a terribly urgent, aspect. But, as I see it, it does nothing to seize that opportunity which, if it had been seized, might have brought some real peace and a decent existence, or hope for such, to the people of that part of the world. There was no time on this occasion for us to seize this opportunity in this resolution. My delegation therefore felt,

because of the inadequacy of the resolution in this respect, that we had no alternative in the circumstances but to abstain in the voting.

I hope that our inability to deal with those essential matters at this time will very soon be removed and that we can come to grips with the basic core of this problem.

S/C



CANADA

STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 56/23

Middle East

Statement by the Chairman of the Canadian Delegation, Mr. L.B. Pearson, to the Second Meeting of the Emergency Special Session of the United Nations General Assembly in New York on Saturday, November 3, 1956.

The immediate purpose of our meeting tonight is to bring about as soon as possible a cease-fire and a withdrawal of forces, in the area which we are considering, from contact and from conflict with each other. Our longer-range purpose, which has already been referred to tonight and which may ultimately, in its implications, be even more important, is to find solutions for the problems which, because we have left them unsolved over the years, have finally exploded into this fighting and conflict.

In regard to this longer-range purpose, important resolutions have been submitted this evening by the United States delegation. We value this initiative, and our delegation will give the resolutions the examination which their importance deserves and will, I hope, make its own detailed comments concerning them later.

So far as the first and immediate purpose is concerned, a short time ago the Assembly passed, by a very large majority, a resolution which is now a recommendation of the United Nations General Assembly. And so we must ask ourselves how the United Nations can assist in securing compliance with the terms of that resolution from those who are most immediately concerned and whose compliance is essential if that resolution is to be carried out.

How can we get from them the support and co-operation which is required, and how can we do this quickly?

The representative of India has just read to us, on behalf of a number of delegations, a very important resolution which deals with this matter. In operative paragraphs 2 and 3 of that resolution, certain specific proposals are made with a view to setting up machinery to facilitate compliance with the resolution.

I ask myself the question whether that machinery is adequate for the complicated and difficult task which is before us. I am not in any way opposing this resolution which we have just heard read. I appreciate its importance and the spirit in which it has been put forward. But I do suggest that the Secretary-General be given another and supplementary -- not conflicting, but supplementary -- responsibility: to work out at once a plan for an international force to bring about and supervise the cease-fire visualized in the Assembly resolution which has already been passed.

For that purpose my delegation would like to submit to the Assembly a very short draft resolution which I venture to read at this time. It is as follows:

"The General Assembly, bearing in mind the urgent necessity of facilitating compliance with the Resolution (A/3256) of November 2, requests, as a matter of priority, the Secretary-General to submit to it within forty-eight hours a plan for the setting up, with the consent of the nations concerned, of an emergency international United Nations force to secure and supervise the cessation of hostilities in accordance with the terms of the above resolution".

I would assume that during this short period the Secretary-General would get into touch with, and endeavour to secure co-operation in the carrying out of the earlier resolution from, the parties immediately concerned -- whose co-operation, I venture to repeat, is essential -- as well as endeavouring to secure help and co-operation from any others whom he thinks might assist him in his vitally important task.

This draft resolution which I have just read out, and which will be circulated shortly, has an added purpose of facilitating and making effective compliance with the resolution which we have already passed on the part of those whose compliance is absolutely essential.

It has also the purpose of providing for international supervision of that compliance through the United Nations, and, finally, it has as its purpose the bringing to an end of the fighting and bloodshed at once, even while the Secretary-General is examining this question and reporting back in forty-eight hours.

If this draft resolution commended itself to the General Assembly -- and I suggest that it is not in conflict with the draft resolution which has just been read to us by our Indian colleague -- and if it were accepted and accepted quickly the Secretary-General could at once begin the important task which the draft resolution gives him.

I apologize for adding to his burdens in this way, because they have already been added to in the immediately preceding draft resolution, but we know that he can carry burdens of this kind both unselfishly and efficiently.

Meanwhile, during this period of forty-eight hours we can get on with our consideration of and decision on the United States draft resolution and other draft resolutions before the General Assembly which deal with this grave and dangerous situation which confronts us, both in relation to its immediate as well as its wider and perhaps even more far-reaching aspects.

VERNMENT



CANADA

STATEMENTS AND SPEECHES

INFORMATION DIVISION
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OTTAWA - CANADA

No. 56/24

Address by the Prime Minister of Canada,
Mr. L.S. St-Laurent
on the International Situation
November 4, 1956

I think it my duty to speak to you tonight about the very grave events of the last two weeks. I should like first to talk about the Middle East crisis. I would like to explain to you the Government's recent actions in the context of our general policy in the Middle East. For the last few years peace has been precarious in this area, especially around the borders of Israel, whose creation as a state was recommended by the United Nations General Assembly with Canada's support in November 1947.

While the tensions arising out of the situation in the Middle East have continued, Canada has steadily encouraged efforts to secure a fair settlement based on the principle that Israel should live and prosper -- but not the principle that it should expand at the expense of its Arab neighbours.

A recent communist intervention in the Middle East has contributed directly to the present crisis. By supplying offensive weapons in large quantities to Egypt the Communist world threatened to upset the balance of power between Israel and its Arab neighbours. In order to help redress this potential imbalance Canada agreed a few weeks ago to authorize the export of 24 F-86 jet fighter planes to Israel over a six-month period. We realized however that a permanent settlement between Israel and its neighbours arranged by the United Nations was the only way in which peace could be preserved in the long run.

Egypt's nationalization of the Suez Canal Company increased the dangers inherent in the Middle East situation. The Egyptian action introduced a threat to the trade on which the economic life of many countries depends. It placed the control of shipping in the Canal in the hands of a government which for some years has been denying access to the Canal for Israeli ships in defiance of a Security Council resolution.

In the crisis which resulted from the nationalization of the Canal Company the Canadian Government has followed a definite and consistent policy in public statements and in private discussions with the nations concerned. We have advocated that a settlement of the issues relating to the Canal which directly affect so many countries should be achieved under the auspices of the United Nations and that there should be no resort to force. The Canadian Government welcomed the 18-power proposals agreed to at the London Conference in August as a sound basis for negotiating a settlement. We have stated our belief that this settlement should respect the legitimate sovereign rights of Egypt. It should also safeguard the right of ships of all nations to pass through the Canal. At the same time it should protect the international waterway from arbitrary and unjustified intervention by any country, including Egypt. We have stated our belief that this settlement should be embodied in co-operative arrangements with which the United Nations should be associated in an appropriate manner.

Because we believe that a permanent settlement of Israel's relations with its neighbours and of the future of the Suez Canal should be reached by peaceful negotiations under the aegis of the United Nations, the Canadian Government regrets that Israel proceeded last week to use force against Egypt, although we recognize that Israel have been subject to grave threats and provocations during the last few years. Though we recognize the vital importance of the Canal to the economic life and international responsibilities of the United Kingdom and France, we could not but regret also that, at a time when the United Nations Security Council was seized of the matter, the United Kingdom and France felt it necessary to intervene with force on their own responsibility.

Your Government has acted promptly in this crisis. We have taken immediate steps to further the safety of Canadian civilians in the Middle East. We have suspended the shipment of jet interceptor aircraft to Israel. The Canadian Government voted for consideration of the Israeli attack at the Special Session of the United Nations General Assembly on November 1 which was called after Security Council action was made impossible by the negative votes of two of its permanent members.

A United States resolution was introduced which called for an immediate cease-fire, the prompt withdrawal of forces and the end of military shipments to the area. On Friday morning this resolution was carried by 64 votes in favour to 5 against, including the United Kingdom and France. Canada and five other nations abstained in the vote on this resolution.

In explaining the reasons for this abstention, I should like to quote part of what Mr. Pearson said in the General Assembly:

"I regret use of military force in the circumstances which we have been discussing but I regret also that there was not more time, before a vote had to be taken, for consideration of the best way to bring about that kind of cease-fire which will have enduring and beneficial results."

He later added:

"I therefore would have liked to see a provision in this resolution.... authorizing the Secretary-General to begin to make arrangements with member governments for a United Nations force large enough to keep these borders at peace while a political settlement is being worked out."

We have swiftly followed up this suggestion. At another special session of the United Nations General Assembly in New York last night Mr. Pearson introduced a resolution on behalf of Canada which requests the Secretary-General to submit within 48 hours a plan for a United Nations force to secure and to supervise the cease-fire arrangements which were referred to in the United States resolution. Mr. Pearson explained that no members of the United Nations are to be asked to provide forces without their previous consent. The Canadian Government is ready to recommend Canadian participation in such a United Nations force if it is to be established and if it is thought that Canada could play a useful role.

The Canadian resolution was passed by the General Assembly early this morning without a single dissenting vote although there were a number of abstentions. At the same time the General Assembly passed a resolution sponsored by 19 nations; it reaffirmed the United States resolution about cease-fire arrangements and authorized the Secretary-General to arrange with the nations concerned the implementation of this resolution and asked him to report on their compliance.

The establishment of the United Nations force will be to ensure an effective cease-fire in the affected area. The governments of the United Kingdom and France have signified their willingness, under certain conditions, to suspend their military intervention if a United Nations truce force is given responsibility. According to present information, Israel and Egypt have stated their willingness to accept cease-fire arrangements provided other parties also co-operate.

We have strong reason to believe that a United Nations command will be established within the 48 hours set in the Canadian Resolution. This is only the first step toward a permanent settlement of Middle East problems. In

the General Assembly last night the United States introduced two new resolutions which seek to establish United Nations committees to consider the future of Israel's relations with its neighbours and the future of the Suez Canal. We believe these resolutions represent a constructive approach to these problems. We will actively participate in efforts to make progress on the lines which the Assembly has approved.

We have spent anxious days of late and I am sure you all share our anxiety. The present crisis has strained both the Western alliance and the bonds of the Commonwealth more than any other event since the Second World War. If we can use it as the opportunity to dissipate the black cloud which has hung over the Middle East these many years, the present danger and strains may prove to have been a price worth paying.

I have spoken at length about the momentous events in the Middle East, but I must refer also to the grave and tragic events which have led to turmoil and bloodshed in Eastern Europe. For the first time since the end of the war a real hope appeared, in the last two weeks, that some at least of the countries which have contributed so much to the civilization of the world might secure some measure of independence from Moscow.

In Poland, a form of national communism has been established which appears determined to demand as a minimum the right to develop along its own lines, and not according to a Moscow pattern. Not least encouraging was the realease of the Roman Catholic Primate of Poland.

We were also encouraged by a statement from Moscow which said that the Soviet leaders were prepared to negotiate their relations with Eastern Europe on the basis of equality and non-interference in their neighbour's internal affairs.

Even before this announcement, the brave Hungarian people had risen to demand the freedom so long denied them. The Hungarian revolution was a passionate and significant outburst of national feeling, both strongly anti-Russian and anti-Communist. We rejoiced in the release of Cardinal Mindszenty and other religious leaders and we shared the hopes, as well as the anxiety, of our fellowcountrymen of Hungarian origin.

Today, these hopes seem to have been shattered. Soviet action has made a mockery of Soviet statements. According to the latest reports, Soviet armed might is being applied against the gallant and practically unarmed people of Hungary. Moscow has announced that it will crush the Hungarian revolt and re-impose its will on Hungary by brute force.

Last night, in an emergency session, the Security Council met in response to an appeal from the Hungarian Government and considered a U.S. resolution condemning Soviet military interference in the internal affairs of Hungary. The resolution was vetoed by the Soviet Union. The matter was then referred to a special session of the General Assembly which is now meeting and which provides the opportunity of condemning in the most forthright terms the callous disregard by the Soviet Union of the elementary rights of the Hungarian people.

Our aim is that the people of Eastern Europe should be free to choose their own form of government, a basic human right they have not enjoyed for years. The Soviet Union's resort to military force against a neighbouring nation is a most serious threat to the peace which we have solemnly pledged ourselves to preserve and defend in signing the Charter of the United Nations.

The one encouraging aspect of the events of the last few days has been the almost unanimous action of the nations of the world in endeavouring to implement their obligations under that Charter.

And, in conclusion, I wish to assure my listeners that all the members of their Government have been in full agreement at all times as to what should be done and what could be said and when it should be done and when it could be said. And I am sure that, if and when any action of ours requires, according to our practices, the approval by Parliament, that approval will be given in no uncertain terms.

Let us all hope that this approach to unanimity of men of good will of so many nations may help to realize that part of our daily prayer to a Power greater than any here below: "Thy will be done on earth as it is in heaven".

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No. 56/25

THE SITUATION IN HUNGARY

Statement made by Mr. L.B. Pearson, Secretary of State for External Affairs, during the Second Emergency Special Session of the United Nations General Assembly in New York on November 4, 1956.

Mr. President, notwithstanding the words of the Soviet delegate, in the past twenty-four hours we have witnessed in Hungary one of the greatest and grimmest betrayals in history. This is a sad and desolate moment for all who have been striving for the extension of freedom and justice throughout the world.

It is, first of all, and above all, the people of Hungary who have been betrayed--the students, the peasants, the workers, whom the Soviet Union so frequently professes to champion. For ten years all the resources of a great empire were used to weaken and destroy all feeling for national and personal freedom in Hungary and the other countries of Eastern Europe on whom communist regimes had been imposed after World War II by foreign forces. But events in Hungary--and elsewhere--have dramatically revealed the results of these ten years of suppression and indoctrination to be failure--often concealed behind a smiling facade of propaganda, but failure. In Hungary the mask of a "people's democracy" was stripped away; the myth of the monolithic unity of the communist empire was destroyed. With incredible courage the Hungarian people proved once again that man, once free, will never finally accept oppression and slavery, even though he may be forced to submit to it for long periods. Armed at first only with burning patriotism and a dauntless spirit the plain people of Hungary rose against the oppressor. And the world watched their struggle hopefully, as the new head of the government, Mr. Nagy, promised free elections, the abolition of the secret police, and negotiations for the

withdrawal of foreign troops from Hungary. It seemed only a few days ago that the resolution and the sacrifices of these men and women would yield them freedom at last and bring them a government of their own choice. It was the dawn of a new day--the people had risen and their will would prevail, or so it appeared.

Then came the great betrayal. At the very time that, we have been told, negotiations were beginning between Soviet and Hungarian military leaders on a withdrawal of Soviet forces from Hungary, the Soviet Union was moving large new forces into position in Hungary where they could stamp out the rising flame of freedom and re-impose a ruthless and savage oppression. As the Soviet representative put it, the Nagy Government "fell apart". The Soviet Union's shameless disregard of its obligations under the Charter by its armed intervention has done more than kill Hungarians. It has betrayed the principles and ideals of our United Nations.

We have heard a great deal from the representative of the Soviet Union in the past few days about the iniquities of aggression, the unpardonable sin of force exerted by large countries upon small countries in order to bend them to the "imperialist" will, as he put it. There is no need for me to dwell now on the hypocrisy of the Soviet concern for one small nation when its own tanks and bombers are compelling an even smaller nation, which had briefly but gloriously raised its head, to put on the chains again. The Soviet delegate has made the parallel between the situation in Egypt and the situation in Hungary. I would reply first, that the United Nations should judge each situation on its merits; but also, that there is no parallel between the intentions of free democratic nations with a long history of respect for the rights of other nations and those of a dictatorial regime which has not shown the slightest understanding of international collaboration or consideration for the rights of others. That difference is, I think, very clearly revealed in the present situation. The governments of the United Nations and of France have stated firmly and publicly that they are prepared to hand over what they claim to be solely their police role to a United Nations force; a force which we are now trying to organize. It is quite true that there remain differences between the British and the French on the one hand, and a majority of this Assembly on the other, on the conditions in which this transfer can take place. Nevertheless, a transfer has been accepted as necessary and desirable and a promise has been given that it will take place.

Will the Soviet Union give us the same promise with respect to the military operations against Hungary. I put this question directly to the Soviet representative. He has told us that his government has intervened in Hungary for a purpose, and that this purpose is ostensibly to protect the interests of the Hungarian people themselves. He wants to protect the Hungarian people, so he says, from a reactionary fascist clique. No one in this Assembly has any desire whatsoever to see the long-suffering Hungarian people delivered from the tyranny of one clique into that of another. All we ask in this resolution which is before us is to let them form the kind of free national government they want. How can this best be done? Surely by an impartial and disinterested international authority which can hold the ring and enable all the Hungarian people, without fear or reprisal, to establish a free and democratic government of their own choice. We have before us a proposal that the Secretary General investigate the situation. Where else can such an authority come from than the United Nations. Will the Soviet Government recognize that? If not, why not?

Yesterday my government proposed the intervention of a United Nations force for peaceful purposes in the Middle East, and that proposal secured the overwhelming support of this Assembly; no single vote was cast against it. Why should we not now establish a United Nations mission or United Nations supervisory machinery of an appropriate kind for the situation in Hungary? I ask the Soviet Union to accept this chance, perhaps this last chance, to prove its good faith to the world. It is not only the Hungarian people who will be the victims of a refusal. It is a Soviet claim--very often repeated--to be the only true champion of peaceful co-existence; the only real foe of imperialism; the opponent of colonialism. If they refuse this United Nations investigation and examination into conditions in Hungary, never again will they be able to talk about colonial oppression or imperialism except in terms of the most blatant hypocrisy, recognized by everyone as such.

This is also the last chance of the USSR to show that their collective security system in Eastern Europe is something more than a collection of master and satellites. In this respect, what a contrast it is to an association of free states banded together on a basis of free co-operation, any one of which may withdraw if it wishes. Their system, if they persist in this aggressive intervention, stands exposed for all the world to see, resting on nothing but brute force and despotic control.



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No. 56/26

RECENT DEVELOPMENTS IN INTERNATIONAL AFFAIRS

Excerpts from an address by Rt. Hon. Louis S. St-Laurent, Prime Minister of Canada, Toronto, November 15, 1956.

... Independent nationhood bears with it the responsibility of making our own decisions in international affairs. That was the course on which we had embarked from the time of the Statute of Westminster and it was clear for all to see that we had reached that goal by September 10, 1939 when we advised His Majesty to declare war on behalf of Canada against the Germany of Hitler.

Because of the very high degree of unity of public opinion within Canada on our role in world affairs during the last decade it has been possible for us to make constructive and enlightened contributions to the maintenance of international peace and security. In saying this, I would remind you that it is axiomatic that a country -- and this applies with particular force to one such as Canada with her multi-cultural population and varied economic regions -- cannot successfully implement its national policies unless its people are united in their purpose.

While there has naturally been some discussion of the effectiveness of some of our policies, there has, I think, been pretty general acceptance of the goals of those policies as being in keeping with the fundamental principles, of which I spoke here in Toronto in January, 1947, of maintaining our national unity, our concept of political liberty, the supremacy of the rule of law, the recognition of the importance of human values and a willingness to accept international responsibilities within the bounds of our capabilities.

Nearly ten years ago, I said that Canadians had accepted the necessity of making decisions on major questions affecting the peace and security of the world, that many questions would arise from situations having their origins far from our shores and that, at first glance, these might not appear to affect directly the interests of the Canadian people. I went on to say that in so far as such geographically distant events were factors in world security, they were of first importance to the future of our country.

The Middle East

I do not believe that there is a single thinking citizen of Canada who would say that the situation in the Middle East today is not one which has serious implications for the peace of the world and thus for our own security.

It is my view that, had fighting between Israel and Egypt on the one hand and the military intervention of the United Kingdom and France on the other continued for a prolonged period of time, there would have been a very grave danger of the conflict spreading and of an almost irreparable breach being created between the nations of Asia and Africa and those of much of the western world in their relations with one another and in the United Nations. In addition, a great strain would have been placed on the continued existence of the Commonwealth as we know it today. Further, it is conceivable that the practical cohesion of our Western Alliance would have been most seriously affected.

For Canada, such a dread three-sided eventuality would have presented a very grave situation; for the world, in our eyes, it would have been a tragedy; for the Soviet Union it would have provided a situation with endless possibilities to exploit in the furtherance of its unrenounced aim to make the world over in its own image.

Well, you know what we did. In the sphere of direct action, we took steps to halt for an indefinite period all shipments of arms and material to the Middle East. We also warned all Canadians in the area of the desirability of leaving forthwith and, with the generous co-operation of our American friends, we made available to those in need of it, safe means of transportation away from the troubled zone.

At the United Nations we voted for consideration of the Israeli attack at the Special Session of the General Assembly; we initiated the resolution to put effective action behind the United Nations' call for a cease fire, by all the parties in the

conflict, through the establishment of a special United Nations' force large enough to secure and supervise the response to that call. This move of ours, which was predicated on the need to do something quickly which would be immediately both feasible and constructive, had, I know, a considerable influence on the decision of the United Kingdom and France to agree to a cease fire and to undertake to withdraw their forces from the scene of battle. And at the United Nations we are actively concerning ourselves with the need to take advantage of this cease fire and to set in motion procedures by which the absolutely essential political settlement of the Palestine question can be accomplished.

Units of the Canadian contribution to the United Nations' force are ready and the Order-in-Council placing them on active service under U.N. command will be passed and Parliament summoned as soon as we can ascertain from that great Canadian, General Burns, who has been chosen to command this emergency force, what elements he needs and cannot get from other contributors.

This is the fifth time that Canadians individually or collectively as a nation have been called upon to take to the field since the last war in an active manner in the pursuit of the task of maintaining the peace in troubled spots. Canadians have been or are still serving in firstly, the United Nations Military Observer Group in India and Pakistan; secondly, the United Nations Truce Supervision Organization in Palestine; thirdly, the United Nations Command in Korea; fourthly, the International Supervisory Commission in Indo-China and now the fifth occasion is the International Emergency Force in the Middle East. If there is a lesson, as indeed I think there is, to be drawn from these commitments, which have particularly in one instance resulted in great loss to ourselves in blood and treasure, it is that we, as an adult nation, have not only been willing to make but, even more important, have also generally become recognized as capable of making, a valuable contribution to the cause of peace and moderation in the world community. It would not, I believe, be going too far to suggest that this has been the outcome of the conscious observance of those fundamental principles about which I was just speaking.

The force which we have offered to contribute in the present crisis is not primarily a fighting force but a police force. As such it is not expected to operate as a military force in armed combat against the forces of some other state. Its duty is to secure and supervise the cessation of hostilities involving Israel, Egypt, the United Kingdom and France, not to attempt by feat of arms to force the withdrawal of the armed forces of those countries. It is of a temporary nature, the

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length of its assignment will be determined by the needs arising out of the present situation. It is not intended to influence the military balance in the present conflict and thereby the political balance affecting efforts to settle that conflict. It is limited in its operations to the extent that consent of the parties concerned is required under generally recognized international law; the force cannot be stationed, nor can it operate, on the territory of a given country without the consent of the government of that country. In short, the Emergency International United Nations Force, now more properly called "United Nations Emergency Force", is more than an observer corps but it is in no way to be a military force temporarily controlling the territory in which it will be stationed.

I am confident that Canadians in all walks of life will agree that the initiative of the Canadian Delegation in the establishment of the United Nations Emergency Force is consistent with the emphasis which we have placed on the role of the United Nations in the settlement of international disputes and reflects also the general Canadian views on how the United Nations can best implement its responsibilities in this vital field.

I have been most heartened at the reaction amongst the members of the Commonwealth to our initiative in the United Nations and deeply relieved that, through this method, the means have been found whereby we all can make an active and positive contribution to the cause of peace together with all our Allies in NATO and so many other members of the United Nations. It was for a time a sad spectacle to see, at the United Nations, the United States and many of our European Allies with the Soviet Union and its satellites on one side, and France and the United Kingdom and other of our Commonwealth partners on the other - a spectacle which we, as Canadians, hope never to see repeated.

The North Atlantic Treaty Organization is vital for our security and its smooth functioning, free of any even subconscious reservations on the part of its members, is essential for its continued success.

Hungary

Well, it is an ill wind that blows everyone no good. It would be idle to deny that the Middle East crisis did serve to obscure in the minds of many people around the world, and especially in nations of Asia, the enormity of the vicious Soviet intervention in Hungary during these past weeks when courageous men and women, yes, even children unaided by any outside sources were striving so hard and so heroically to throw off the yoke of tyranny which is the nature of the Soviet colonial system.

It did tend to make more difficult the mobilization of the full weight of world opinion in favour of national freedom and against foreign domination in Hungary and Poland. It is also true that such an outcry of world opinion is, short of war, the most effective form of political assistance which we can at this time provide to the valiant forces of freedom which are stirring in those parts of the Soviet empire. On the other hand, Soviet military intervention, which we know was under way before the recent events in the Middle East, has done much to preserve the essential unity of purpose of the NATO nations and that approach to unanimity among so many of the members of the United Nations, of which I spoke over a nation-wide network of television and radio stations some ten days ago.

May that approach to unanimity long endure and may we, the free peoples of the world, in the Commonwealth, in NATO and in the United Nations, all together continue to put forth our best efforts to realize the noble purposes of the United Nations Charter with continuing beneficial results for ourselves and for all mankind.

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HUNGARIAN SITUATION

The following is the text of a statement by Dr. R.A. MacKay, Permanent Representative of Canada to the United Nations, in the debate on Hungary in the General Assembly of the United Nations, Friday, November 9, 1956.

My intervention will be very brief.

Within the past two days this Assembly has been heartened by the replies received from the governments recently engaged in military operations in the Near East. A cease-fire and withdrawal have been agreed to by all concerned. They have agreed to the entry of a United Nations force, pending a general settlement. What a contrast to the situation in Hungary. Not all the facts of the situation in Hungary are available, but more than enough to prove the continued brutal interference by force of arms of one great country in the internal affairs of a small neighbour. I would ask once again the questions asked of the Soviet delegation by the Honourable L.B. Pearson, earlier in this debate. For obvious reasons I address these questions to the Soviet delegation rather than to the delegation which purports to represent Hungary.

Will the Soviet Union give similar undertakings for a cease-fire and withdrawal, I repeat, and withdrawal, with respect to Hungary?

Second, will the Soviet Government and the Hungarian Government admit a United Nations Mission of observers to report back to the Assembly as approved in the Resolution of this Assembly of the 4th of November?

Further, United Nations machinery appropriate to the situation in Hungary is no less required than is United Nations machinery in the Middle East. Where, except from the United Nations can an impartial and disinterested authority be obtained to hold the ring and thus enable the Hungarian people to form the kind of free national government they desire,

without fear or reprisal? Is the Soviet Government prepared to accept any such solution for Hungary? Here is its chance, perhaps its last chance, to prove its good faith.

I regret that I can find no evidence in the statement of the Representative of the USSR in this morning's debate that his Government has any intention of permitting the Hungarian people any freedom of choice or that it has any intention of withdrawing its forces from Hungarian territory. This from the Government that has made such loud protestations these last few days about intervention by other Governments in the Middle East.

With respect to the draft Resolution put forward by Cuba, Ireland, Italy, Pakistan, and Peru (Document A/3316) my Delegation can do no other than vote in favour.

We shall also support the Resolution just now introduced by the Representative of the United States (Document A/3319).

This Resolution is solely concerned with the humanitarian aspects of the situation in Hungary. Surely this purpose, and this Resolution, can be supported by all Delegations genuinely interested in human welfare and the relief of suffering. In this connection, I have been authorized to state that Canada is ready to give priority to applications for immigration from Hungarian refugees; to contribute an additional \$100,000 to the High Commissioner for Refugees, specifically for the aid of Hungarian refugees, and to contribute a further \$100,000 to the Canadian Red Cross for Hungarian relief.

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FAR EASTERN POLICIES

Text of an address by the Hon. L. B. Pearson, Secretary of State for External Affairs of Canada, to the American Assembly, Arden House, Harriman, N.Y., Thursday, November 15.

From the Far Eastern policies of the free nations since World War II, two main conclusions, among many others, can be drawn; conclusions which, incidentally, can be drawn also from policies in other areas.

(1) A coalition of free states is difficult to operate except when national security is directly threatened, and common fear becomes a strong cement. Only then do the claims of inter-dependence override those of independence; international considerations successfully compete with those of national interest.

(2) In a free democracy which is open to all the appeals, selfish and unselfish, of propaganda spread by mass media of communication, it is difficult to reconcile the ideological and the strategic as the basis for policy and action.

As to the first conclusion, the lessons of Far Eastern policy in regard to co-operation within a coalition are as obvious and as important as those which we are, I hope, now learning, in a very hard and agonizing way, from Middle Eastern policy. Governments and peoples whose interests make close and friendly co-operation necessary, find it far more difficult to convert that necessity into action than into words. The latter, indeed, is easy. The former requires, at times, the subordination of what seems immediate national interest to international, longer-range requirements. That is not easy.

The inability to bring about this reconciliation of interests inside a coalition has been largely responsible for the present collapse of Western co-operation in the Middle East, which has brought distress to everyone except those v

see in such co-operation the strongest barrier to the attainment of their own imperialist and reactionary power objectives. This collapse is, I am convinced, only temporary; but temporary is too long! It must be a primary obligation on all of us to speed and make effective the work of repair and restoration. Indeed, we must do more than this. We must strengthen and deepen the foundation for such co-operation, so that a collapse will not take place again in the face of the pull between the requirements of national and international policy. At the moment that is the primary task and responsibility of all who believe in freedom and security.

In the Far East no such collapse of co-operation has taken place, but here also for years there have been strains and stresses on the unity of the coalition, arising out of divergencies of views and policies, especially in regard to Red China. These divergencies, which still exist, bear within them the possibility of serious trouble between friends; something we may tend to forget as the position in that part of the world seems at the moment to have achieved a measure of reassuring if uneasy stability.

The earlier communist attitude of menace and tension, especially in the area of the coastal islands of Quemoy and Matsu, has been less aggressive lately. The Peking authorities have also for some months modified their threats of invasion of Formosa and stepped up their attempts to persuade the Chinese Nationalists on this island to come to a peaceful settlement with the mainland authorities. In Indochina and in Korea, hostilities have virtually been brought to an end and situations which seemed full of dangers to peace have, apparently, eased somewhat.

Recent and unhappy experiences, however, in the Middle East show how quickly a situation can change, and a serious conflict of policy between friends develop! This makes it all the more important to look at the Far East; to examine any differences of policy there; to see why, if they exist, they have not caused an open split in the alliance, and what can be done to avoid this. In the effort to secure and strengthen co-operation between free states, continents and oceans are merely sectors of the same front.

The first task, that of examination of differences is closely related to the second conclusion I have drawn from our Far Eastern policies, namely, the difficulty in reconciling the ideological and the strategic.

Professor Louis Halle, in a recent article in the Yale Review, on this subject, one which I thought to be wise and penetrating, had this to say:

"We cannot do away with disunity over policy and action when the real divergence is in the realm of philosophy. At best we can merely bridge the gaps by practical compromises. But the wider the gaps and the deeper they run the harder they are to bridge. The place to seek unity, then, is below.

"Fortunately, the philosophical questions on which we differ (he was writing about Western co-operation) are few by contrast with our consequent differences on practical issues. The difference which chiefly accounts for our disunity on foreign policy today, I think, is that between those who tend to give primacy to ideological considerations and those who are disposed to put strategical considerations first...."

Those who, in Mr. Halle's phrase, give "primacy to ideological considerations" are likely to see the situation in the Far East primarily in terms of the necessity of destroying communism; especially, of course, in China, where it has seized control of the state by methods which we condemn and for purposes which we have reason to suspect. To this objective, other things, such as the economic and political problems of Japan, the exploitation of natural differences between Peking and Moscow, problems of trade in the Pacific, the strengthening of friendly political and economic relationships with the uncommitted countries; all these take second place. The struggle is primarily a moral and ideological one; against Chinese Communism as such, and the crimes which it has committed.

In the United States this ideological aspect of Far Eastern policy is very strong; stronger, perhaps, than the strategical and political, though, of course, not uninfluenced by these latter considerations. It makes a strong appeal to our ideals and our emotions and strong voices make sure that this appeal is both loud and widespread.

Among the European friends of the United States, however, there is perhaps less of the ideological and more of the political, or, if you like, of the pragmatic approach to these problems of the Far East. There is more of rationalizing and less of moralizing; more of a desire to achieve a limited practical objective and less of insistence on total victory. There is, I think, among all the Western allies, general acceptance of the view that the Peking Government represents a foreign and reactionary ideology which, in its actions, has offended, indeed outraged our deepest moral and humanitarian feelings. There is no such general acceptance of the best way of dealing with it.

On the one side, and it may be an oversimplification to call it the American side, there is uncompromising and active hostility and, irrespective of the effect of this attitude on our relations with other free nations of Asia, a determined

refusal to recognize the Peking regime in its present form as an accepted or acceptable member of the community of nations. There is impatience with any policy based on any other consideration than that of doing everything possible to bring about the disappearance of this dictatorial and dangerous regime.

On the other side, there is a disposition to accept - though without any relish - certain facts of the situation and hope that the processes of normal political and economic evolution will improve this situation and remove some of the dangers inherent in it; will bring about ultimately some measure at least of national respectability. There is the hope that China will gradually absorb Communism as it has absorbed all its foreign bodies over the centuries, and that Mao Tse-tung, if left alone, will become Mao Tes-Tito! To this school, expediency is not immorality, but realism, while moralizing is concerned not so much with principle as with self-delusion.

Those who think like this may take some comfort from Louis Halle's words, in the article to which I have already referred:

"....in the historical perspective the people identify statesmanship with strategic prudence, however much they abhor it in their moments of ideological excitement. Queen Elizabeth never aroused such fervor of approval among her contemporaries as Cromwell did, but history has preferred her example. In the same perspective Abraham Lincoln is morally superior to Carrie Nation."

It is, then, considerations of political strategy as much as, or more than, those of ideology, that have influenced policy in certain countries in our Western coalition; that have caused many of them to recognize diplomatically and to deal with the Communist government of Peking. The plain fact is that governments in these countries do not think their national interests in the Far East are as seriously affected by trying to come to terms with Communist policy in that area as they would be if they ignored and tried to outlaw the regime in Peking. Such governments are more ready, then, to compromise and make adjustments, for what they consider to be their own national advantage. Others are held back from doing so - especially in the field of commercial relations - only by fear of offending the United States and destroying cooperation with her in Pacific affairs, with resultant harmful effects on co-operation elsewhere. These governments tend to become impatient at those who insist that our policy toward Peking should be in essence a crusade against evil. When your own national interests are not immediately and harmfully affected, or your historical and established position forcefully challenged, it seems to be easier to be objective about such things as crusades against communism or colonialism, or any other "ism".

There is ample ground for difference of opinion and policy in these different approaches to a common problem; for criticism by the one side of the selfish concentration of the other on short-range national interests; or, in reverse, for criticism of an unhealthy and exclusive concern with considerations of abstract morality which are inappropriate in respect of what is, after all, a matter of practical international politics and strategy.

Why have these differences between national attitudes to this Far Eastern problem not developed into an open split? I suggest that it is because her allies have, by and large, been willing to let the Americans - who have had to pay the piper - also call the tune in this matter and have gone along, albeit at times reluctantly. This, in its turn, was possible because the United States has not pushed matters to the point where an armed conflict with Peking was certain to result. There has also on occasions been restraint shown by the Communist side; a restraint inspired perhaps by respect for American power. In any event, we have escaped in the Far East - if not in the Middle East - the more harmful consequences of a divergence of policy between friends.

This is the more fortunate, and the more significant in its relation to current difficulties, because in some of the more important American moves in Far Eastern policy, which affected others than herself, consultation was not much more effective between the United States and its friends than it has been recently in respect of Mediterranean developments. By consultation, I do not mean one government merely passing on information about a decision after it has been taken. That is really not consultation at all. I mean a frank and complete exchange of views before decisions are taken; at a time and of a character to influence those decisions. We do not have nearly enough of that kind of consultation in the Western coalition. Its absence can get us into serious trouble. It will weaken and may ultimately destroy co-operation. It is time that we realized this and did something about it - except talk.

This inadequacy of consultation is not, as I have said, peculiar to European or Middle Eastern matters. A revealing example, among others, in the Far East is provided by the decision taken in 1950 to authorize United States forces to move beyond the 38th Parallel in Korea. This was a decision of the United Nations. It was bound to have far-reaching consequences, as it did have. The policy of the United States in regard to it was, of course, of first, indeed of decisive importance. Admittedly the United States was primarily concerned. But the effect of the decision to cross the Parallel, especially if it led to an extension of hostilities beyond Korean, was bound to be felt and shared by the friends and associates of the United States. It might have been expected, therefore, that before any decision was taken in Washington there would have been a thorough exchange of views between the United States and

its friends who were co-operating with it on this Korean question; or at least between their representatives at the United Nations, so that agreement could be reached on the course to be followed. But this was not done. True, there was no public indication of disunity or difference, but that was because the other countries agreed to maintain the common front at the United Nations in the face of a particular United States initiative about which they had not really been consulted in any effective way. There were serious practical difficulties in the way of such consultation at that time, I know, including those connected with military plans and timing. It is also true that by far the major share of responsibility and action in this United Nations operation was being borne by the United States. But others were involved. The episode is significant as showing how difficult it can be inside a coalition to reconcile the often conflicting obligations of national and collective responsibility.

The present, however, is more important than the past. Are there still differences now in Far Eastern policy that should be frankly examined and, if possible removed? There are, indeed especially in regard to our attitude to the Communist government in Peking.

Some of the Western group, as I have stated, have recognized this government as that of China; others have not. Those who have granted recognition, however, - and Canada is not one of them - have foregone much of the advantage that they might have, in their opinion, been expected to derive from it by rejecting the claim of the Peking Government to represent China at the United Nations. It is no secret that they have done this largely because of their concern for their relations with the United States. Some very influential Americans, after all, have said that once Red China goes into the United Nations, the United States goes out.

There are also some differences of opinion as to whether there should be a complete, or almost complete cessation of trade between the Allied group and Communist China, or a prohibition of trade only in a selected list of strategic commodities which might be progressively shortened, if and when the situation warranted such reduction.

There is also (and this is more fundamental) a difference of opinion over the very nature of the conflict between the two Chinese governments. Some governments consider it primarily as a civil war, which means that action of one side against the other - even over the off-shore islands - does not constitute aggression under the United Nations Charter and therefore require our intervention. Other governments, however - including Canada - feel that while this may be true in respect of action on the continent of China or against the off-shore island, it does not apply to Formosa, which should not be

permitted to fall a victim to communist military attack. Still others, notably the United States, refuse to consider that action by the communists against even the off-shore islands of Quemoy or Matsu should be considered merely as part of a civil war and not warranting any interference on their part.

There is still ample room, therefore, for a serious conflict of policy and even of action between the United States and its friends arising out of these different viewpoints. We have been saved from this up to the present by the considerations which I have mentioned, and in recent months by the absence of military moves against the off-shore islands or against Formosa. If those moves, however, had taken place there might have been a really serious threat to unity and co-operation inside the coalition. It is therefore important that every effort be made to work out a real understanding and a common policy in these matters, or, if this cannot be done, that each should be kept informed as precisely as possible of where the others stand. At best, the maximum of unity, and at worst, the minimum of misunderstanding should be our aim.

These random reflections on policy in the Far East merely reinforce in my own mind the absolute necessity of strengthening co-operation and unity within our Western coalition generally. This means that action by one member state which affects, directly or importantly, the other members should only be taken after collective discussion and agreement, unless a situation of extreme emergency makes this impossible. This applies to the Far East, the Middle East, and to Western Europe and the Atlantic area. It applies particularly to the more powerful states in a coalition who, because of their power and their responsibilities can affect, by their actions, the other and less powerful members in a way which is not normally the case if the situation were reversed. A breach of this cardinal principal of consultation by the United States and the United Kingdom, for instance, and such breaches have occurred, as we all know, can do untold damage. A breach by Canada or Norway is likely to receive less attention, might even go unnoticed, because its effect is likely to be less. That is one reason why smaller nations are always more virtuous than larger ones in these matters. Their international sins of omission are often too small to get headlines.

It is, however, and I apologize for repeating it, less important at the present moment to dwell on the difficulties of the past than on ways and means of avoiding them in the future. A Canadian may, I think, be pardoned for emphasizing that this is particularly true in the case of consultation and co-operation between Washington and London and Paris. It is imperative, in our dangerous and disturbed world, that the lines of contact between these three capitals be repaired and renewed and reinvigorated.

Apart from the actual preservation of the peace, and, indeed, related to it, there is no more important objective for Western policy than this, and every possible effort must now be devoted, with understanding, with goodwill, and with energy to its achievement.

S/C

GOVERNMENT

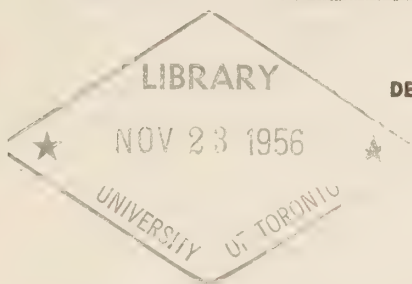


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56/30

THE SITUATION IN HUNGARY

Statement by Mr. L.B. Pearson, Secretary of State for External Affairs of Canada, in the General Assembly of the United Nations, Monday, November 19, 1956.

In the second emergency session of the General Assembly of the United Nations we have already adopted four resolutions on Hungary, and the Secretary-General, although hard-pressed by many other urgent and vitally important duties, has done all in his power to carry out the various responsibilities assigned to him. The resolutions call for investigation of the situation in Hungary; they call on the Soviet Union to withdraw its forces and cease its intervention; and they provide for, we hope, quick and large-scale relief of the immediate suffering of the Hungarian people as a result of the bloody events of recent weeks.

Following this initial United Nations action, the whole world has waited anxiously for some sign that the Soviet Government and the authorities in Hungary were ready to allow United Nations investigation, and, at the very least, to facilitate the distribution of desperately needed food, medical supplies and clothing. The efforts of the Secretary-General, under our resolution of November 4, to get permission for United Nations observers to visit Hungary have been flatly rejected. The Soviet Government, to which the Secretary-General appealed for assistance in carrying out the task assigned to him, must bear the full and final responsibility for frustrating this investigation. One can understand, if not excuse their attitude. What can they fear from investigation if the facts are as they state them to be.

In spite of this rebuff the Secretary-General has appointed three eminent and impartial persons under our resolution of November 4, to investigate and report on the situation in Hungary. We hope that they will undertake at once whatever investigation may be possible.

Surely those members of the Assembly who may personally have had some difficulty in condemning the Soviet Union and certain Hungarian authorities over what has happened on the ground that authentic information was not available, will welcome and support the steps now recommended to secure that information. What possible objection to this course can be raised except by those who wish to conceal the truth and confuse opinion.

We therefore once again urge the Soviet Government and the Hungarian authorities to admit United Nations investigators. I might remind the Assembly that this would not be the first occasion on which the United Nations has sent investigators into the territory of a member state in order to try to get at the facts of a situation which had been referred to our organization.

On December 19, 1946, the Security Council unanimously adopted a resolution setting up a commission of investigation to ascertain the facts relating to a complaint brought to the United Nations by Greece. This complaint concerned border violations along the frontier between Greece and three of its neighbours. The commission was empowered to conduct its investigations in the territory of Greece and of the three Eastern European countries concerned. It actually held meetings in the territory of these four countries, interviewed witnesses, and, eventually, made its report to the United Nations.

The point I wish to make in mentioning this situation which came before the United Nations ten years ago, is that the Government of the U.S.S.R. then agreed to the setting up of this commission of investigation and a Soviet member took part in its work. How, then, can the Government of the U.S.S.R. today, reject such a procedure for Hungary?

I would also remind the Soviet Union of the example set by other member states who have recently accepted the intervention of the United Nations in the Middle East. There is, of course, no parallel between the events in Egypt and the situation in Hungary, but it is of the greatest significance that the United Kingdom and France, upon whom the Soviet Union has tried to fasten the label of aggressor, have accepted and co-operated with the intervention by the United Nations in regard to certain action they have taken and which was condemned by this Assembly.

In the past few weeks we have witnessed in another respect also what "The Times of India" has called "a study in contrasts from which everyone ... will draw his own conclusions". This Indian newspaper on November 9 last contrasted what it called "the uninhibited upsurge of public opinion in the United Kingdom which has no parallel anywhere else at any time" with the total

absence in the Soviet Union of any criticism of that government's action in Hungary. "Does Moscow really suppose", this leading Indian newspaper goes on, "that confronted by as blatant a violation of the Charter as can be conceived, Asian-African powers are so naive as to accept this fiction of so-called independent Hungary under a government established with the support of Russian bayonets?...Where a people can condemn its government there is every assurance of democracy and decency. The awful silence of Eastern Europe as Hungary is pounded by Soviet guns, is something which Mr. Bulganin cannot explain away in his letters to Mr. Nehru".

In the past few weeks here in New York we have also seen the contrast, indeed the contradiction, of a member government of this organization destroying a government with which it had been negotiating even while the means for its destruction were in the process of being prepared and deployed. Having removed this government by force and having set up a more compliant rule in its place, whom the people of Hungary have so obviously refused to accept, the Soviet Government now dare to tell the United Nations that it must not interfere in the internal affairs of other states. It is indeed, as the representative of China said the other day, "an upside down world".

There is another and very urgent matter which we cannot ignore; relief for the Hungarian people, who after the legendary courage which they have shown now face a winter of terrible hardship. The present Hungarian authorities have sent to the United Nations a grimly eloquent list of supplies they need as a result of the harsh and destructive intervention of Soviet troops and Soviet tanks. Here the response from the authorities in Hungary has been somewhat less disheartening. The Soviet delegation, however, was again completely negative in its response to our appeals for co-operation. It voted against one resolution dealing with relief and abstained on another, two purely humanitarian moves that might have been expected to win active and wholehearted support from any normal person or any civilized state.

We are happy to note some indications that the Secretary-General or his representatives may possibly be allowed to participate on the spot in Hungary, in the distribution of these medical supplies, food and clothing which are so urgently needed. Surely no consideration of ideological prestige or power politics of any sort will be permitted to interfere with this part of the United Nations response to the situation in Hungary.

Mr. President, we now have before us a fifth resolution on the situation in Hungary. As we have watched the news from Budapest these last few days, a new and still more horrible development has become apparent. Far from complying with the United Nations resolution, ending their

intervention, and permitting impartial investigation, the Soviet authorities have once again resorted to one of the most horrible devices of frightened dictatorial regimes, the mass deportation of persons whose only offence is that they are not regarded as politically reliable. We had heard much of this frightful device during the regime of Marshal Stalin, and many charges made at that time - and rejected by Soviet spokesmen in those days as "slandorous fabrications" - have since been confirmed by the present Soviet leaders themselves in Moscow. We had hoped that at least this evil aspect of Stalinism would never again be practised by a Soviet Government. But these hopes have been smashed. The reports of deportation of Hungarian men, women and children to the U.S.S.R. may be denied, but the denial is hollow and false. The volume of eye witness accounts already available, the detailed reports, the pathetic evidence of farewell notes dropped from the trains, are all sufficient to show beyond any reasonable doubt that mass inhuman deportations have, in fact, taken place.

As a result of this further tragic development we are meeting again to make one more attempt, through this General Assembly of the United Nations, to get the Soviet Government to heed the wish of all the world that it stop its torment of Hungary.

If it does not heed this call, its reactionary colonial purpose will once again be exposed for all the world to see. Although it may succeed for a time in stifling the independence of a small neighbour by the crushing power of tanks and by the midnight terror of the secret police, even the interests of the Soviet Union itself, to say nothing of its prestige, will be defeated. Already we have seen the condemnation by President Tito of Yugoslavia of the Soviet policies which led to the Hungarian tragedy, and the leaders of some of the great countries of Asia have added their voices to the demand that the Hungarian people be allowed to decide their own future and their own form of government without external intervention.

How was it described by the Prime Minister of India on November 19? Mr. Nehru said it is a national outrage against the will of the people.

We have heard communist talk here of this heroic Hungarian uprising being merely the work of reactionary and fascist gangs; the Moscow description of any move for freedom against its iron control.

But how was it described, not by a "capitalist warmonger" or a representative of a "ruling clique", but by this communist leader of a socialist but a nationalist state, President Tito. He said on Friday last:

"Just see how a bare-handed and poorly armed people resisted terribly when it had one aim - to free itself and be independent. It was no longer even interested in what sort of independence it would achieve - whether the bourgeoisie and a reactionary system would be restored in the country - but only interested in being nationally independent. This took hold of its mind....not only Horthyists, but also workers from factories and mines are fighting here - the entire people are fighting."

One disillusioned British communist put it this way in a letter on November 3 to the editor of a well-known British weekly: "The events of the past week are enough to make any honest communist hot with shame and anger." What, then, must the feelings be of any honest and patriotic citizen.

Mr. President, the Canadian delegation has given strong support to the other United Nations decisions designed to help the Hungarian people, and we shall also wholeheartedly support the present draft resolution dealing with the cruel deportation of men, women and children from their native land. We can pray that by focussing the spotlight of world opinion on this cruel and inhuman operation we may help to bring to an end the martyrdom of a brave people.

S/C

GOVERNMENT

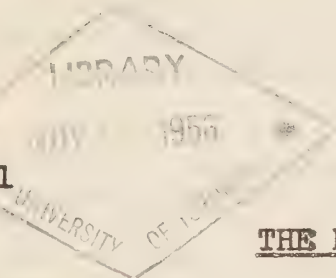


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No. 56/31



THE ROLE OF UNESCO

An address by Leonard W. Brockington, Chairman of the Canadian Delegation to the Ninth Session of the UNESCO General Conference, at New Delhi, India, November 10, 1956.

With a sense of honour and pleasure I speak to you in the name of the delegation from Canada. To my land throughout the years have come millions of men and women of many peoples. They came, seeking new horizons of hope and happiness for themselves and their children. Amongst our citizens are those who once came from almost every nation represented in this room. They and their sons and daughters, by their skills, their arts, their faith, their character and their honest labour, have added new strength and beauty to the fabric of our free Canadian citizenship whose privileges and duties they proudly share. If we Canadians can make a contribution to the work of UNESCO we do not forget what we owe to many peoples.

As brother-men, therefore, we salute all nations gathered in this place and as Canadians we pay tribute to those who are in very truth our Canadian motherlands.

It is also my pleasant duty to join our Canadian voices in the chorus of gratitude and admiration which hails the splendour of India's preparation for our welcome and our deliberations. We indeed rejoice to be amongst a people so gentle and so courteous. This I know - when the time comes for us to depart, we shall all cherish the hope that some day we may return. May I say also that it is a high privilege to see the workings of this laboratory of liberty and to witness in this great land a new freedom being forged and so valiant and, let us pray, so successful a determination to bring to every human life in this teeming sub-continent a new opportunity for fulfilment and enrichment and a better share of the fruits of the earth and the rewards of man's labour.

We also wish to thank the Director-General, the officers and counsellors of UNESCO for their dedicated labours - never forgetting those hundreds of men and women whose names are unknown to us. In distant and sometimes dangerous places they are

devoting their lives to hard tasks for the sake of mankind, with lasting honour to themselves and to the institution whose humble and steadfast servants they are.

We join too in the universal welcome to the membership of Tunisia and Morocco and speak our happiness that they have found their way to this Assembly along the highroad of freedom.

It is also our wish to clasp the hands of the delegation from Nigeria which has taken its place as an associate member. With what graceful and generous courtesy its Speaker announced their impending nationhood! Soon the Federation of Nigeria will become the partner of Canada in the brotherhood of the Commonwealth. May all our African brothers and Caribbean brothers also discover the truth spoken by the late Prime Minister of New Zealand when he said that membership in the Commonwealth is not Freedom with something taken away but Freedom with something added.

We have met under the shadow of violence and conflict and this delegation was deeply moved by the calm wisdom and sad sincerity of the speech of the Prime Minister of India at the beginning of this Conference. I think those who are present here today know the efforts which Canada and India have made, and will continue to make, to bring the world back to the sanity and sanctity of an honourable and just settlement in the Near East, and to ensure the substitution of the force of law for the law of force wherever violence rages. We hope that UNESCO will always be a household of free, friendly and fruitful discussion and debate and that above the thunders and clamours of the raucous world there will always be heard the voice of reason and what the poet calls "the still, sad music of humanity." Above all liberties, said one of the world's great voices, is the liberty to know, to utter and to argue freely according to conscience. Perhaps we can all take some comfort from the knowledge that even today no stronger criticism of the disputed policy of the British Government, no freer or more vigorous denunciation of its dangers has anywhere been spoken or written than in famous British newspapers freely published in Britain itself, in public meetings freely assembled in Britain, in earnest debates freely held in a free British Parliament and wherever men gather in Britain to hammer out the truth on the anvil of free discussion.

There at least we see in real and vital action some of the basic freedoms approved by the words of UNESCO.

Now this I believe is the most important meeting of any United Nations Organisation hitherto held in the East. There is amongst the Greeks an ancient verse recording this epitaph. "And if I am a Syrian, what wonder? We all dwell in one country, oh stranger, the world - and Chaos is the mother of us all." We in Canada who are the beneficiaries of the gifts of so many other peoples believe that there is only one race in the world which is really important and that is the human race. We are determined to pay with reverence our debt to humanity,

never to despair of human dignity and independence nor of the majestic ordinariness of the individual man and ever to give a value immeasurable and eternal to the humblest of human lives. We often recall the saying of the French philosopher, Renan, that the good Lord has written one sentence of his thought upon the cradle of every race. In spite of our personal shortcomings and the failings of each one of us in this room, do we not represent or at least try to represent all that is best in our lands and not what is worst? For it is my faith that nearly every great teacher since the world began, every supreme artist, every wise philosopher, every great religious thinker has had a passionate belief in that mysterious union of mankind, the mystic bond of human brotherhood. And so we have gathered here in this ancient wise land, so rich in art and philosophy. For too long we of the West have been blind to the beauty of the East, unmoved by its sorrows, deaf to its teaching. If this is a gathering of glad teachers and of glad learners, I believe that we of the West can take away with us in the gifts of Eastern wisdom and patience and tolerance and humanity more than we can bring. While we are all properly and passionately anxious to see standards of education and literacy rise through the world, let us always remember that, particularly amongst nations which have known the "drip of human tears upon the centuried years" there can be found amongst unlettered men and humble tillers of the soil and village philosophers and wayside teachers a wisdom and a humanity which are part of the folklore of mankind and are amongst the most precious of heritages to us all. For democracy itself, as an eloquent American has said, is really a method of accounting for everyone, through the little works of many hands, the little loves of many hearts, the little light of many minds.

Canada has been, since the first beginning of UNESCO, an enthusiastic and faithful supporter of its objects and ideals. While we have already heard many variations on these ancient themes, it is hoped that our delegates, consulting with those of other nations, will make a modest contribution to the approval of sound and useful programmes and the insistence on efficient administration and financial responsibility. It has been our view for some years that the resources of UNESCO have been scattered over too wide a range of activities. We all know what it is to long for the infinite and to be brought to face daily with the multiplication table. But since resources are not infinite it is our view that we should concentrate on practical projects of paramount necessity, deferring or eliminating others of a lower priority. We are particularly interested in the progress of education, in the exchange of persons, especially teachers and students, and in a world where it is often said that science darkens men's minds and hardens men's hearts, we will strive to help to turn its achievements to the needs and ways of peace, and to emphasize the spiritual and moral values of scientific research. We are particularly interested also, for reasons which I have tried to indicate, in the exchange of so-called cultural activities between the East and the West. We look forward to the day when Western students will in growing numbers study in Eastern universities. I often wish that there were more

Western scholars who had knowledge of Eastern literature and thought which compares with the amazing mastery and knowledge of the English tongue and of English and American literature which I find amongst so many of my Indian friends.

There is an Italian proverb, typically adapted by the English for their own use. This is the English adaptation. "Words are the daughters of earth and things are the sons of heaven." May I express the wish that this Conference is rich in the accomplishment of good things. I was born an optimist and in Canada we believe that pessimism is a form of cowardice and optimism is a kind of courage. Perhaps then I can express my hopeful faith that even the fires which rage around us today will prove to have been sacrificial fires and refining fires that will, before many months have passed, cleanse our mother earth. We can hear too the voice of wisdom which tells us that the heavens lie upon all lands and upon all peoples, that shadows only fall because and when the sun is shining, that it is always morning somewhere in the world. We have all set out on a long journey towards an ideal world. As we travel hopefully may I recall for your comfort, as I do for my own, words once written by Robert Louis Stevenson in his essay entitled "Eldorado" "Oh toiling hands of mortals, oh unwearied feet, travelling ye know not whither! Soon, soon, it seems to you, you will come forth upon a conspicuous hilltop and yet a little further against the setting sun descry the spires of Eldorado. Little do ye know your own blessedness! For to travel hopefully is a better thing than to arrive, and the true success is to labour."

As I thank you for your patient listening and as we all travel hopefully together towards the golden city of our dreams, may I end with a personal memory. Many years ago, when I was a young man I read in the London Times the account of the opening of a Salvation Army hostel in the east end of London by a Mohammedan prince of India. He said, "You may wonder how I, an Indian and a Mohammedan, am opening in the east end of London a Christian hostel. My friends," he said, "Truth is like a precious jewel; it has many facets." With that little gem of wisdom to the treasure-house of us all, the Canadian Delegation will give its whole-hearted efforts to the freedom of your deliberations and the wisdom of your conclusions.



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THE MIDDLE EAST

Statements on the Middle East situation by Mr. L.B. Pearson, Secretary of State for External Affairs, during the Special Emergency Session of the United Nations General Assembly, November 7, 1956.

1. In explaining Canada's vote in favour of a resolution proposed by 19 Asian-African delegations which affirmed the Assembly's determination to implement its previous resolutions and called for the immediate withdrawal of foreign forces from Egyptian territory, Mr. Pearson said:

"I merely wish to speak for a minute in order to explain the vote of my Delegation on Draft Resolution A/3309. In this connection, my Delegation supports the view which has been expressed by the representative of Peru and others as to the interconnection between the two resolutions which are before us--the close relationship between the two of them--and the impossibility of separating one in its implementation from the other. In that sense we give an interpretation to the word "immediately" which has been given by others as meaning as quickly as possible. In our minds, there is a relationship bearing on this word 'immediately' between the withdrawal of the forces referred to in the Resolution and the arrival and the functioning of the United Nations force".

2. The Assembly also considered a second report by the Secretary-General on the plan for the international United Nations force. Expressing its approval of Mr. Hammarskjold's recommendations in this report, the Assembly established an Advisory Committee composed of representatives of Brazil, Canada, Colombia, India, Iran, Norway and Pakistan, with the Secretary-General as Chairman, to "undertake the development of those aspects of the planning for the force and which are not within the area of responsibility of the Chief of Command." The relevant resolution which had been

sponsored by Argentina, Burma, Ceylon, Denmark, Ecuador, Ethiopia and Sweden, was adopted by a vote of 64 in favour, none against, and 12 abstentions. Following is the text of a statement made by Mr. Pearson prior to the vote:

"I wish to give the full support of our Delegation and the Canadian Government to this resolution setting up the United Nations emergency force, and to endorse the report of the Secretary-General, which is related to it. I would like also to echo the appreciation and gratitude expressed by the Danish Delegate to the Secretary-General for his tireless energy and skill, without which we would not have this resolution before us.

"My Government has been proud to offer a contribution to this force and steps are now being taken by us to organize it as a matter of urgency.* With the acceptance of this resolution--and surely it can be unanimously approved--the ending of hostilities can be confirmed and safeguarded and work of peace making begun on a solid United Nations foundation. Indeed, it has begun, but much remains to be done before it is finished. This is a moment for sober satisfaction, but certainly not for premature rejoicing. Yet it is hard not to rejoice at the thought that we may have been saved from the very edge of catastrophe--and saved, let us not forget, not by threats or blusters, but by the action of the United Nations. If we draw the necessary conclusions from the manner of our escape and act on them, perhaps we will not in the future have to get so perilously close again. I repeat, however, that much remains to be done, even in the first stage which is now underway. The organization of a United Nations force from other than permanent members of the Security Council, is bound to be a task of great complexity and difficulty. We are breaking new ground, we are pioneering for peace, but if we take full advantage of this opportunity, I feel sure we can reap a rich harvest from that ground in terms of peace and security in the area concerned and, indeed, in wider terms as well.

"We must now press on with the greater and perhaps even more difficult task of a political settlement: which will be honourable and just, and provide hope for security and progress for millions in this part of the world who have not known them in these troublous and distracting years. This is implicit

* On November 7, Prime Minister St. Laurent announced in Ottawa that the Canadian Government had agreed to offer a Canadian contingent of battalion strength to the international United Nations force for the Middle East.

in the resolution before us and that of November 3, A 3276, which establish the conditions within which the United Nations force must operate. Until we have succeeded in this task of a political settlement, our work today, and the cease-fire of yesterday-- though they give us reason for hope and encouragement--- remain uncompleted.

"Nevertheless, the fighting has ceased, the process of restoration is to follow, and the work of peaceful settlement pursued in one part of this distracted and dangerous world. We cannot fail to be relieved and pleased about this, and to rejoice in the fact that the United Nations has made the essential contribution to such a good result.

"If we had not acted swiftly and, I think, effectively here, we might have been facing today a conflict which perhaps would have engulfed us all.

"I hope that we can pass this resolution quickly so that the United Nations force can be organized promptly and effectively and moved to the spot without delay.

"Surely that is the most urgent and immediate duty for us to discharge at this moment, and I hope that we can do it without delay."

56/33

THE MIDDLE EAST

Statement delivered by Mr. L.B. Pearson, Secretary of State for External Affairs, in the plenary session of the United Nations General Assembly Friday, November 23.

I do not propose to follow the representative of the USSR, who has preceded me, into the tangled underbrush of propaganda, exaggeration and fabrication into which he has just led the General Assembly. These speeches ceased to impress the great majority of the members of the Assembly many years ago, though they no doubt have some value to those who make them. They constitute a kind of verbal aggression against the truth against which, I am afraid, we shall never be able to bring about a cease-fire. But they have nothing to do with finding a solution to the serious problems which are facing us. Quite the contrary.

There are two draft resolutions before the Assembly, one of which my delegation has the honour to sponsor, along with the delegations of Colombia, India, Norway, the United States and Yugoslavia (A/3386). Before saying a few words about that draft resolution I should like to comment on the draft resolution contained in document A/3385, which deals with compliance with previous resolutions which have been passed by the Assembly on the question of withdrawal of forces from Egypt.

It seems to me that this draft resolution, at the present time - and I emphasize "at the present time"--is unnecessary because steps are being taken to bring about the withdrawal in question. Indeed, that withdrawal has begun; we believe that it will soon be completed, and we expect that to be done. We believe also that one way of expediting that process which has begun would be to do our work here quickly and satisfactorily in setting up a United Nations force, with functions which are agreed on, under the authority of the United Nations and of the United Nations only--a matter which is dealt with in the second draft resolution, which I hope will receive, and very quickly receive the endorsement of the General Assembly.

The withdrawal, as we see it, has begun. Now resolutions reiterating to previous resolutions are, I think, useful and often necessary when the original resolution of the Assembly has been treated with contempt and has been defied, as is the case with the United Nations resolution on Hungary.

But when a resolution deals with a matter on which action has begun in compliance with a former resolution, and when that compliance is under United Nations supervision, then I do not think, myself, that reference to the former resolution is positively helpful in achieving the objective which we have in mind. Indeed, it often merely takes up the time of the Assembly which, as in this case, could be surely used for the task of bringing about a settlement, the creation of an atmosphere within which progress could be made to such a settlement, and expediting the solution of practical problems, such as the clearing of the Suez Canal and the maintenance there of freedom and security for navigation for all countries.

It seems to me that the draft resolution which we have the honour to sponsor with other delegations (A/3386) is designed for this purpose. It "notes with approval the contents of the aide-memoire on the basis for the presence and functioning of the United Nations Emergency Force in Egypt, as annexed to the report of the Secretary-General"--and I hope that we can give that approval to the aide-memoire. It is important, however, in giving that approval, to know what we are approving.

What are the functions of this United Nations Emergency Force? Those functions and the task--and it is a very difficult task indeed which confronts the Force--have been laid down by resolutions of the General Assembly and they are found also in the Secretary-General's second and final report, which has been approved by the Assembly. The basic resolution for these purposes is that which we adopted on November 4-5 (A/RES/394) which states that the function of this Force is "to secure and supervise the cessation of hostilities in accordance with all"--and I emphasize the word "all"--"the terms of the resolution of the General Assembly of November 2" (A/RES/390). In that latter resolution, as representatives will remember, provision is made for a cease-fire, for a prompt withdrawal of forces, and also--and this is not the time to forget this provision--"that all member states refrain from introducing military goods in the area of hostilities and in general refrain from any acts which would delay or prevent the implementation of the present resolution". And in Para. 4 of that resolution we have this provision, namely, that upon a cease-fire, steps are to be taken to reopen the Suez Canal and restore secure freedom of navigation.

Later, by Resolution A/RES/395 of November 7, the Assembly approved certain principles for the organization and functioning of the United Nations Emergency Force and those principles were stated in certain paragraph of the Secretary-General's report (A/3302) which was attached to the resolution

There is very strong, enthusiastic support in my country for this force--but only as a United Nations force, under United Nations control, and as an effective and organized force which can do the job that has been given to it and which, if it can do that job, may be the beginning of something bigger and more permanent in the history of our organization: something which we have talked about at United Nations meetings for many years,

the organization of the peace through international action. Therefore, it is important that this force should be so constituted and so organized that it will be able to do the work that it has been given to do and thereby set a precedent for the future.

It is also important that the principles on which the Force is to operate are sound. What are these principles? They have been laid down for us in the Secretary-General's report. The Force must be fully independent, in regard to its functions and its composition, of the political situation of any single member. The United Nations alone controls it and is responsible for it.

I agree, of course, that the Force--I am not talking about individual elements in the Force, but of the Force as such--in the circumstances and on the basis of which it was set up, could not operate in the territory of a country without the consent of that country. That is why we are happy that Egypt has given that consent in principle and I am sure that we all agree that, in giving that consent to the constructive and helpful move, no infringement of sovereignty is involved. It is rather an example of using national sovereignty to bring about peace and security and a political settlement through United Nations action.

The control, then, of this Force is in the hands of the United Nations and must remain there. Otherwise it would not be a United Nations force but it would be merely a collection of national forces, each under the control of its own Government and serving in another country with the consent of and under conditions laid down by that country. That, I am sure, would be unacceptable to most of the Governments in this Assembly.

Having said that, however, I do agree that the Secretary-General should certainly consult with the Government of the country in which the Force is serving, on all matters of any importance that affect it; also, as we understand it, the force is to remain in the area until its task is completed, and that would surely be for the determination of the United Nations itself. It operates, according to the principles as we understand them, where it is necessary to operate in order to accomplish its task, certainly between the opposing powers to prevent conflict from recurring. As the Secretary-General has said in this report; its functions can be assumed to cover an area extending roughly from the Suez Canal to the armistice demarcation lines, and in that area to facilitate and aid the establishment and securing of peaceful conditions as an indispensable prerequisite to a just and agreed political settlement.

Surely we must not for one moment lose sight of that objective. It seems to me that it is high time that we began the process of achieving it through United Nations action, because at best the achievement is going to be a long and difficult undertaking.

So I venture to repeat that we should without unnecessary delay get on with the business before us, the constitution and the functioning of this Force, which has been made possible by the cessation of hostilities, and with the clearance of the Canal.

The draft resolution to which I am referring, in paragraph 2, "notes with approval the progress so far made by the Secretary-General in connection with arrangements for clearing the Suez Canal as set forth in his report; (A/3386). We cannot make much more progress unless we pass this draft resolution. Then there is paragraph 3, which is as follows:

"Authorizes the Secretary-General to proceed with the exploration of practical arrangements and the negotiation of agreements so that the clearing operations may speedily and effectively be undertaken". That paragraph is, of course, without prejudice to the allocation of costs and, of course, it is without prejudice to the normal procedures of the United Nations in dealing with expenditures.

So I suggest that our immediate task, now that the process of withdrawal has begun, is to back up the Secretary-General in the terrific undertaking we have imposed on him. His industry and his intelligence deserve our full support. We have faith in him, as he has faith in the good faith of those he is dealing with. We hope, therefore, that we can help him with his work, that we can get ahead with that work in this assembly instead of having to listen to long, distorted propaganda diatribes such as the one to which we have just had to listen-- speeches we have already heard three or four times, which do not improve but, indeed, deteriorate with age.

However, this is not a time for recrimination among those who are anxious to get ahead with this work. It is a time for restoration--first, the restoration of the sovereign rights of Egypt over all of its territory by the withdrawal of foreign forces from that Egyptian territory. It is a time for the restoration of free passage for all through the Suez Canal. It is a time, above all, for restoration, not of the situation which because of the failure of all of us at the United Nations and elsewhere has brought about this critical situation, but for the restoration of peace, security and decent conditions of life in an area of the world which has not seen such conditions for many years.

Text of statement issued by the Chairman of the Canadian Delegation to the 11th United Nations General Assembly, Mr. L. B. Pearson, on Saturday, November 24 in New York, on an Asian-African resolution calling on France, Israel and the United Kingdom immediately to withdraw their forces from Egypt.

The Canadian Delegation abstained on this resolution for the following reasons:

- (1) Although we support the principle of complete withdrawal of forces from Egyptian territory and have expressed that

support by our vote on previous resolutions nevertheless we do not think that this resolution will assist in achieving this objective at this time. In the words of the United States delegate, "We do not think it necessary".

- (2) We feel that this resolution tends unfairly - and in a way which will be generously exploited - to assimilate the position of the United Kingdom, France and Israel in regard to compliance with resolutions of this Assembly on withdrawal with that of Soviet Russia in regard to our resolutions of withdrawal of troops from Hungary.
- (3) We are impressed by the fact that - in contrast with Hungary - withdrawal has already begun and that therefore it should be possible at once to begin under United Nations auspices the essential practical work of clearing the canal.

We hope and expect that withdrawal will be completed by the time United Nations force is in a position to function effectively in Egypt for the purposes for which it was set up.

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CANADA

STATEMENTS AND SPEECHES

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No. 56/34

THE MIDDLE EAST

Mr. L.B. Pearson, Secretary of State for External Affairs, was interviewed by Mr. Charles Lynch, CBC United Nations correspondent, in a television programme shown in Canada on November 25. Excerpts from the telecast follow:

....Mr. Lester Pearson, Canada's Minister of External Affairs, was the man who first proposed the United Nations Emergency Force. The General Assembly took up the item at once. It has been described as the action that saved the peace. Perhaps it is too early to say that, but at any rate the world is not at war. The United Nations Emergency Force has set things humming-hopeful things. The first units already are at their post in the Suez Canal Zone. The Secretary-General of the United Nations, Mr. Dag Hammarskjold, has been to Cairo and back. The Commander of the Force, Major General E.L.M. Burns, has been here for consultations and has returned to take up his somewhat weird and wonderful command. For her size, Canada's role in all this has been remarkable. She proposed the Force. She is sending troops. She sits on the advisory committee for the Force. The Commander of the Force is a Canadian. Our guest has been a central figure in much that has happened, Canada's External Affairs Minister, Mr. Lester Pearson. Mr. Pearson, welcome to our programme. Could you tell us, Sir, has the United Nations Emergency Force worked out as you hoped it would when you first suggested it?

Mr. Pearson: It was less than three weeks ago when the resolution was introduced setting up this Force. During that very short time far more has been accomplished than any of us could have reasonably expected, although there are a great many difficulties to overcome yet. But what has been done I think has been really quite amazing as you have indicated yourself. The Forces from six or seven countries, including Canada, are on the spot now. Offers have been received from another nineteen or twenty which have not been accepted in the sense that they have been incorporated in the force, largely because work of preparation for

the absorption of forces has not yet been completed. On the whole, however, an amazing amount of work has been done.

Mr. Lynch: We have heard a lot here, and I believe in Ottawa as well, about these supposed Egyptian objections to Canadian participation in the Force that the Egyptians feel that the Canadians are too British for their tastes. Can you pin that one down?

Mr. Pearson: I know a great deal of interest has been aroused in that question and it is quite true that our own participation in the Force at the moment is not as we expected it to be. A fortnight ago when the Canadian offer was made to the Secretary-General it was of an infantry battalion, as you know. And that was accepted very gratefully by the Secretary-General and the Commanding Officer, who had been appointed by then and who is a Canadian (which would have some bearing on Egyptian objections). And we were told at that time that we would be performing a very useful service if we could move that regiment down to the sea coast, down to Halifax where it could be shipped on the "Magnificent", and steps were taken to do that at once. Then, as you know, the Secretary-General, went to Cairo. He there discussed a great many things about the Force, its functions and composition, with the Egyptian Government. That is quite understandable because after all this Force has to serve on Egyptian territory, and though I for one, and a good many others also, don't admit that the Egyptian Government could have a veto over the composition of the Force, I think the Secretary-General is very wise in consulting them and trying to get their co-operation. And when he did consult, he found that there was a reluctance on the part of the Egyptian Government to have such a large part of the infantry Force at the beginning consisting of Canadians.

Because the Egyptian Government thought it would create misunderstandings in Egyptian public opinion, which wasn't able easily to distinguish between various members of the Commonwealth, the Secretary-General, who has the decision in this matter, subject to the United Nations Assembly, was impressed by this point of view in respect of the immediate functioning of the Force. When he came back to New York, he discussed it with us and with General Burns who was here then. By that time General Burns had decided that the most important thing was to get his headquarters organized and his service troops out there -- signallers and that kind of thing -- and air transport, not only air transport for the Force, but the air component for the Force generally. And therefore he asked us if we would supply those units at once with the infantry to come along later when he felt it was possible to absorb them. By that time there shouldn't be any difficulty on anybody's part. I want to make it quite clear, however, that the participation of Canadians in this Force has been accepted by the Egyptian Government itself, that the Egyptian Government

does not veto the participation of any units in this Force and that this is quite clear with the Secretary-General. The question of when the Canadian infantry units come forward will be determined by the advice we get from the Commanding Officer sent on by the Secretary-General.

Mr. Lynch: Do you think it was unfortunate that a regiment with the name "The Queen's Own Rifles" which might be calculated to set the Egyptian hair standing on end, was chosen as the Canadian Regiment?

Mr. Pearson: Perhaps, but that is an honourable name for a Canadian regiment and, of course, while it may have lead to some temporary misunderstanding, we are not likely to change the names of our regiments for purposes of that kind.

Mr. Lynch: Canada seems to be playing a role in this matter of the Force out of all proportion to her population. Do you think she can carry it off and can we expect the Canadian role to continue on this level?

Mr. Pearson: I think we will be happy to participate in this force to the extent of our ability. I think Canadian opinion is behind this decision of the Government. This is an imaginative and important move on the part of the United Nations and Canada, which has been interested in the idea of a United Nations Police Force for many, many years, and has made previous proposals precisely to that end, will want to do her full part. We are also, as you have already stated, on the advisory committee which will have something to do with the determination of policy in regard to this matter and I think we will be glad to serve on that committee too.

Mr. Lynch: You said in the General Assembly that we have been very close to catastrophe over this Middle Eastern crisis. Is it too early to say that the crisis has been averted?

Mr. Pearson: It is too early to say. It did seem during that dramatic night when this idea of the Force was put forward in the debate, that the situation was very rapidly deteriorating and I think this idea of a United Nations Force going in has helped to hold the line. But it is far too early yet to say that the crisis has been averted and the dangers have been removed. We can't be too comfortable about that until we not only have brought about a cease-fire but we have also brought about a political settlement out there. Only then can you talk about dangers being over.

Mr. Lynch: What do you think the Soviet intentions really are in the Middle East?

Mr. Pearson: That's a very difficult question to answer categorically, but it seems to me that their actions have indicated that they would like to continue trouble out there.

They show no signs of a constructive attitude and while I do not think, for what it is worth, that they wish to precipitate an all-out war there or possibly any other place, nevertheless I see no signs that they would like to bring about a constructive political settlement to remove all the danger of conflict in the area.

Mr. Lynch: This African-Asian bloc about which we hear so much here, is it really as solid as some people seem to think it is?

Mr. Pearson: It is certainly not solid insofar as voting is concerned, as you must have noticed. They have been split on several very important votes and they do not vote as a unit. They discuss things together and they try to agree on decisions, just as we do in the Commonwealth.

Mr. Lynch: What about the Commonwealth? How has that been affected by this?

Mr. Pearson: We have had different points of view on this issue, as you know -- at least three different points of view, but we are meeting regularly as a Commonwealth and we are trying to iron out our differences and getting closer together. And I think we are closer together than we were when the Assembly opened.

Mr. Lynch: What about Canada's relations with the United Kingdom and the United States?

Mr. Pearson: Our relations with the United Kingdom have been close and friendly during this Assembly and our relations with the United States are, of course, equally close and equally friendly.

Mr. Lynch: Has that been the case throughout this crisis would you say?

Mr. Pearson: So far as the Canadian Delegation is concerned, that is true. But there hasn't been the same close and intimate relations between certain other friendly delegations as we would like to have seen.

Mr. Lynch: Thank you very much Mr. Pearson.



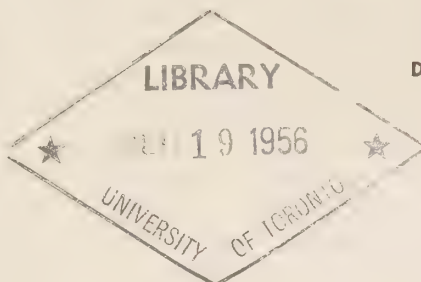
CANADA

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56/35

SPECIAL SESSION OF PARLIAMENT

Canadian Participation in the United Nations
Emergency Force in the Middle East; Hungary

Excerpts from a statement by the Hon. L.B. Pearson,
 Secretary of State for External Affairs, in the Fourth
 (Special) Session of Parliament, on November 27, 1956.

We are facing today a situation of gravity and danger, far too serious a situation to be dealt with from a purely partisan point of view. The hon. gentleman who has just taken his seat talked about Canada being the chore boy of the United States. Our record over the last years, Mr. Speaker, gives us the right to say we have performed and will perform no such role. It is bad to be a chore boy of the United States. It is equally bad to be a colonial chore boy running around shouting "Ready, aye, ready". A well-known Conservative newspaper, the Ottawa Journal, in commenting the policy of the government at the United Nations in recent days, a policy of care and restraint as it was characterized, a policy of consideration for its friends, ended an editorial on this subject on October 31 as follows:

At best, we are going to be in very great danger of all-out war for some time now. We must learn to think before we chatter.

Chattering instead of thinking--if we fail because of idle chatter and not enough thought in our efforts to resolve the problems that face us today in this country and in the world, it will not make much difference who has the halos or who has been humiliated.

Now, Mr. Speaker, we have an amendment to the motion. I might as well say at once--and this will be no surprise to the House--that I think it is an amendment worthy of no support at all. It is unaccurate in its facts, as I shall hope to prove, and it is wrong in its conclusions.

Hungary

Before I deal with the matters referred in the speech and in the amendment on the Middle East, may I say just one word about Hungary. The Canadian government has already expressed its views in Ottawa and at the United Nations Assembly on this matter. We have witnessed as brutal and as grim a betrayal of a people as history has ever seen, a people who were asking only for freedom from Communist colonial domination and the right to run their own affairs. The recent actions of the Soviet Union in Hungary throw a lurid light on the protestations we have heard that Stalinism is now dead and peaceful coexistence is here. But there has been no more significant exposure of the underlying, and I am afraid enduring, purpose and methods of Soviet power. Soviet tanks and Soviet guns have killed Hungarian freedom fighters, but they did not and they cannot kill Hungarian freedom.

What can we do here in Canada and at the United Nations? Well, we can help the victims of this terror, and we learned last night of what we are doing in that regard. We can keep, through the United Nations as we are trying to do, the spotlight of world public opinion, the conscience of the world, the moral force of world opinion, on the savage actions of the Soviet Union. We can do our best to help Hungarians in that way and to bring the United Nations into Hungary in the role of observers and investigators. We must continue our efforts toward that end; but we would not be helping the Hungarian people--I think we might be hurting them--if we held out promises of liberation by force which at this time we would not be able to fulfil. There is, however, I think, some hope in the growing evidence that eastern Europe is now beginning to free itself from the shackles of Russian slavery and oppression, and that development is expressing itself at the United Nations assembly at this time.

The Middle East

Now, Mr. Speaker, I come to the Middle East. The debates in this house--and we have been meeting for only a few hours--has already shown that a very real difference on policy has developed between the government and the official opposition. The speeches of the Acting Leader of the Opposition and the hon. member for Vancouver-Quadra, who has just preceded me, have made that quite clear. The official opposition--and I think we can assume that the speakers in question had the support of all the members of the official opposition; they should have to judge from the applause they received from their colleagues--now apparently support every move made by the United Kingdom and France in their intervention in Egypt after the attack on Egypt by Israel, an intervention brought about with army, navy and air forces after a 12-hour ultimatum. They claim, I have the right to conclude, that we as a government should have approved of those moves at once and should have backed up the United Kingdom and France at the United Nations even on those matters and on those resolutions where not a single member of the United Nations supported the resolutions in question.

Now, Mr. Speaker, we did not follow that particular line of policy in this matter, and I shall try to explain why. To do so it is, I think, relevant to give, as other speakers have given, some background which may help us to understand recent events. It is, for instance, important in order to keep things in perspective to understand the policy of the Egyptian government in recent months. That policy has been unfriendly to the western powers. It was arbitrary and was denounced in this house as arbitrary in the seizure of the Suez canal company. That policy has witnessed a gradual increase of Russian influence in Egypt and the Middle East, and it did culminate in the seizure of the canal. We recall that after weeks of effort and frustrations to bring about an international solution by international means no such solution was brought about.

It is quite obvious--it was quite obvious by the summer--that there was no meeting of minds between Washington and London and Paris in these matters. And of course, the fault was not by any means entirely on the side of London and Paris, and no one on this side of the house has ever tried to take a one-sided view of this situation. The vital importance of the Suez to western Europe is perhaps not appreciated in Washington, and it might have been better appreciated there if this situation could have been related by them to the Panama Canal.

Now, our own attitude in this matter was--and we expressed this attitude in the House of Commons and in a good many messages to the United Kingdom government during the summer--that we did not stand aloof and indifferent, and we did appreciate the importance of this development not only to western Europe but to Canada itself. Our attitude was that this question should be brought as quickly as possible to the United Nations and a solution attempted there; that at all costs there should be no division of opinion, no division of policy, between Washington and London and Paris on a matter of such vital importance, and that there should be no action taken by anybody which could not be justified under the United Nations charter; otherwise the country taking that action, no matter how friendly to us, would be hauled before the United Nations and charged by the country against which the action had been taken. That is something that has happened, and it is something we tried to talk over with our friends before it happened.

It will be recalled that eventually the matter was taken to the Security Council of the United Nations, and it will also be recalled that not long before the use of force by Israel against Egypt certain principles for a settlement of the Suez question had been agreed on at the Security Council. One of those principles which had been accepted by Egypt at that time, was that the canal should be insulated from the policies of any one nation, including Egypt. Therefore at that particular moment, through those conversations at the Security Council, and what is more important through conversations going on in the Secretary General's office, we had some hope that an international solution might be reached which might be satisfactory to all concerned.

At that time, and I am speaking now of a period of only a week or two before the attack by Israel took place, we had no knowledge conveyed to us of any acute deterioration of the situation, nor did we have any knowledge or information about anything which could be called a Russian plot to seize Egypt and take over the Middle East. At that moment, and against that background, the Israeli government moved against Egypt.

The Threat to Israel

Here also, to put the matter in perspective, it is necessary to understand the background. The people of Israel have lived for years in a state of unrest and insecurity against this threat of extermination by their neighbours. With that unrest on their borders with no stability of any kind, with a military balance changing against them, and in the face of those continued threats on October 29--and it is interesting to realize that that was less than a month ago; events have moved with such bewildering and dramatic speed--the Israeli government took the situation and the law in its own hands and moved against Egypt for reasons which seemed very good to it at the time.

I admit--and I am sure all members in this house must admit--the provocation which may have prompted this move. We in the government tried to understand that provocation; nevertheless we did at that time, and do now, regret that the attack was made at that time and under those circumstances. Then, as the house knows, the United Kingdom government and France intervened in the matter on the ground so they claimed, that it was necessary to keep the fighting away from the Suez canal and thereby keep the canal open. They wished, so they said in Paris and in London to keep a shield between the opposing forces.

That was the only purpose they put forward at that time, or indeed have put forward formally since, to explain their intervention--to stop the fighting and put a shield between the opposing forces. No other purpose was alleged; and when the United Kingdom representative to the United Nations spoke at the first emergency meeting of the General Assembly on Thursday, November 1, he explained the purpose of the United Kingdom and French action in these words:

The first urgent task is to separate Israel and Egypt and to stabilize the position. That is our purpose. If the United Nations were willing to take over the physical task of maintaining peace in the area, no one would be better pleased than we. But police action there must be, to separate the belligerents and to stop the hostilities.

That was their purpose, merely to separate the belligerents and to stop the hostilities.

Well, to carry out that purpose, as we know, the French and British governments sent an ultimatum to Egypt and to Israel, a 12-hour ultimatum that was accepted by Israel whose forces at that time had come within ten miles of the Suez canal, but was

rejected by Egypt which had been asked to withdraw its forces beyond the Suez canal; and following that rejection the United Kingdom and French forces intervened by air and later on the ground.

At that time far from gratuitously condemning the action the Canadian government said through the Prime Minister and indeed through myself, that we regretted the necessity for the use of force in these circumstances; and these circumstances, I confess, included an element of complete surprise on our part at the action taken.

There was no consultation--and this has been pointed out--with other members of the Commonwealth and no advance information that this very important action, for better or for worse, was about to be taken. In that sense consultation had broken down between London and Paris on the one hand, the Commonwealth capitals and--even more important, possibly,-- Washington on the other.

Nevertheless, instead of indulging then or since in gratuitous condemnation we expressed our regret and we began to pursue a policy, both here by diplomatic talks and diplomatic correspondence, and later at the United Nations, which would bring us together again inside the western alliance and which would bring about peace in the area on terms which everybody could accept.

Canadian Policy

Our policy, then, in carrying out these principles was to get the United Nations into the matter at once; to seek through the United Nations a solution which would be satisfactory to all sides. In adopting that policy it was obviously impossible for us to act at the United Nations Assembly in any way which we could not justify under our obligation as signatories to the United Nations Charter.

Our policy with regard to this matter as a member of the United Nations was to try to stop the fighting through the United Nations. How could we follow any other course without betraying our obligations under the Charter? But we were also anxious, as were many other delegates to the United Nations although not all of them, to avoid the creation of a vacuum of chaos in that part of the world after the fighting had stopped; and we realized if that test as well as the test of stopping the fighting could not be met, the United Nations would have failed.

Also at the United Nations we were anxious to make sure--we mentioned this in our statements down there--that the situation leading up to the aggression should be given due consideration, and that constructive action should be taken to prevent such a situation recurring again, that we should go deeper into this matter than merely into the facts of military action. I hope that will be done quickly at the United Nations Assembly. There are already two resolutions on the order paper for that purpose.

And then, Mr. Speaker, we were also anxious to do everything we could down there to prevent any formal condemnation of the United Kingdom and France as aggressors under the charter, any demand that sanctions be imposed against them, and also to do what we could to help repair the lines of communication and contact between Washington, London and Paris and restore some form of continuous friendly diplomatic consultation between the western allies on these matters after its breakdown last October.

It was certainly a matter of urgent and distressing importance, especially to a Canadian, and I expressed this also in public at the United Nations, that the United States should be on one side of this issue and the United Kingdom and France, our two mother countries, on the other. We were especially distressed at this because there were people down in New York, and they are still there, who are gleefully exploiting this division.

Having mentioned the breakdown of consultation, I think it would only be fair to add that this breakdown of consultation and agreement was not the fault exclusively of the United Kingdom and France over the preceding months. No other member, indeed no member of the western alliance, is free of some responsibilities and particularly the United States of America, which is the major and most powerful member of that group. Therefore we felt and we still feel that this is no time nor is this an occasion on which to adopt an attitude of superior virtue or smug complacency over the righteousness of our own position. We felt and we still feel that the thing to do is to get out of this crisis without a war and without violating the United Nations principles and charter, and then to draw the necessary conclusions from the crisis so that the western coalition will not collapse again in the days ahead when other problems will arise, as they are bound to do.

Strains on the Commonwealth

Then also, and this was a matter which was very much on our minds, we were anxious to do what we could to hold the Commonwealth together in this very severe test. It was badly and dangerously split. At one stage after the fighting on land began it was on the verge of dissolution, and that is not an exaggerated observation. The hon. member for Kamloops (Mr. Fulton) is reported as having said on November 17 that Canadian leaders should bend their efforts toward restoring and preserving the moral and physical unity of the Commonwealth which, he went on to say, should have a common point of view on these matters. I could not agree with him more; but if we had followed at the United Nations the policy advocated by the official opposition we would have gone a long way not toward restoring and preserving the moral and physical unity of the Commonwealth but toward breaking it up. I am quite sure this is a purpose which no one in this house wishes to achieve.

In trying to follow those principles of policy how were we, as delegates to the United Nations and as the government in Ottawa, to react to the critical situation which arose? We tried to maintain as objective an attitude as possible having regard to our charter obligations and we certainly did try to maintain as close and as friendly contact as was possible with the United Kingdom and French delegations. We did not automatically support the United States in every move. We thought the United States was wrong at the very beginning of the Assembly in rushing a resolution on the record at the outbreak of hostilities recommending that they should be ended at once. We thought they were wrong in trying to rush that through without sufficient consideration. We did not vote for it; we abstained, as I will explain later.

We thought the United States was wrong last Saturday, the last session of the Assembly which I attended and which in some respects was a depressing session. A resolution was before the Assembly at that time which, with a Belgian amendment, should have received the unanimous support of every member of the Assembly. With that amendment the resolution would have received the support of the United Kingdom, but the amendment was defeated and the United States was one of those who voted against it.

As I have pointed out, we were not able to support the United Kingdom in all the moves it had taken, in all the attitudes it had adopted at the United Nations Assembly. Distressed though we were, we could not support the United Kingdom and French stand on this matter although we did try, as Canadians should and as a Canadian delegation should, to give the most friendly consideration to the United Kingdom and French position.

As to the charge that we have been lining up with the Russians, that is just nonsensical chatter. If a resolution is right down there we vote for it whoever may be among our companions in the voting. That seems to me to be the only possible course for a Canadian delegation to follow.

There are those in this country and there are some whose views have been expressed in this House who feel that we should have automatically supported the United Kingdom and France, either because of the ties of friendship, indeed of kinship with the countries concerned, or because they were convinced the United Kingdom and France were right in the course adopted and in the methods followed. Those who feel that way will be disappointed at the action we have taken. We thought it was the right action for a Canadian delegation to take.

It was an objective attitude, it was a Canadian and an independent attitude. Believe me, the Arab and Asian countries, including the Asian members of the Commonwealth, were watching us as they were watching others very carefully to see if our policy was based on those considerations I have mentioned or whether we were just following automatically any other power. If we had given any evidence that would have justified the impression that we were supporting without reservation the United Kingdom and France in all their tactics and

attitudes toward this matter we would not have been of any help to our friends subsequently, nor would we have been able to play the part which we at least tried to play and which I shall refer to later.

If, for instance, we had voted at the first meeting of the special Assembly against the proposal to put this item on the agenda when no other member of the Assembly voted against it except the United Kingdom and France I think we would have lost any influence which we had at that time and which we may have hoped to use later on for constructive purposes.

Our purpose was to be as helpful to the United Kingdom and France as we possibly could be. Believe me, that attitude has been appreciated in London even if it has not been appreciated by my hon. friends opposite. Far from criticizing us in private or in public in London or Paris for our gratuitous condemnation of their course we have had many expressions of appreciation for the line we have been trying to follow, and which has been helpful in the circumstances to the United Kingdom and France.

Sequence of Events in the General Assembly

The sequence of events at the Assembly and our relation to those events will show what we tried to do, and why. I should like to give that sequence, if I may, because I feel it will be useful to the House to know exactly what happened and the attitude we took in regard to every stage of development at the Assembly.

We met on Thursday, November 1, in the first emergency session of the General Assembly under the Uniting for Peace Resolution which had been passed in 1950 and which was designed to get around the veto in the Security Council by transferring to the Assembly matters on which the Security Council could not agree because of the veto. When this Assembly was called and this item was put on the agenda it was objected to on legal grounds by the United Kingdom and France, legal grounds which we did not think had very much validity and so we voted for the Assembly meeting.

That was the occasion on which we were attacked by my hon. friend as lining up with the Russians. We lined up with 62 members of the United Nations in agreeing to the proposition that the United Nations should try to deal with this matter. Immediately after that resolution the United States, without very much consultation or very much opportunity for consideration, introduced the cease-fire resolution.

We felt, as I have already said, that this had two defects. Of course it was designed to bring the fighting to an end at once and it was designed to prevent military aid going to either side in the conflict. It was designed, in one of its clauses, to restore freedom of navigation in the Suez Canal for all governments. These purposes we, of course, supported; but we felt that there had not been sufficient time for consideration to force a vote through before others who wished to speak could

speak. We also felt that it was inadequate for the purpose which we had in mind because it did not recognize the background, the previous problems which had brought about this situation, and made no provision for the absolute necessity of a peace settlement. Nor did it make any provision for a United Nations police force to supervise and secure the cessation of hostilities. We were anxious not to give our support at that first meeting of the Assembly to a resolution which might seem to bring the fighting to an end but to do nothing else, or even to recognize the importance of doing something else. We expressed that feeling in the first statement the Canadian delegate made.

In the first statement we made in New York around 2 a.m. that morning I ventured to suggest that we would not be completing our work at the Assembly if we did nothing about the prevention of a recurrence of the violence which had preceded this outbreak and if we did nothing about the establishment of a United Nations force in this crisis.

This was an idea, Mr. Speaker, that we had discussed in Ottawa before I went to the Assembly that afternoon. Indeed, it had been previously mentioned by the United Kingdom representative in his statement as something that might be desirable in the circumstances, and immediately after I made reference to it the United States Secretary of State took up the matter and asked our delegation if they would put this idea in the form of a resolution. I returned to Ottawa the next day to discuss with my colleagues whether this would be a desirable thing to do, having first had the opportunity of discussing the matter in New York with the Secretary-General of the United Nations.

We were anxious to keep in close touch with our friends in Washington and our friends in London on this matter, and as soon as it was decided here the next morning that this might be a useful and helpful Canadian initiative under certain circumstances we cabled London and Washington at once and asked them what they thought about the idea; because, while a good many of these things are desirable in principle, there is not much point putting them forward at the United Nations if they are going to be opposed at once by all of our friends or some of our friends. Therefore we were anxious to get the views of both London and Washington in respect of this particular matter.

Then on Saturday, November 3, Mr. Speaker, after consultation with my colleagues in Ottawa I returned to New York where the Assembly was to meet at 8 p.m. that evening. On that occasion I did produce a Canadian resolution for the setting up of a United Nations Emergency Force for this particular situation. It may be interesting, though it does take a little time, to go into the background of this idea of a United Nations force. Of course there was nothing new in either this idea or in its proposal, and no one on this side of the house, I am sure, wants to take any credit for having put forward a novel and valuable proposal. I hope it was valuable but it certainly was not novel; except in the sense that it was adopted, but in no other respect.

U.N. Security measures since 1946

As far back as October, 1946, the Prime Minister (Mr. St. Laurent), at the very first Assembly of the United Nations, made a plea for the organization of enforcement procedures under article 43 of the United Nations charter which provides for such enforcement procedures through the Security Council. Nothing was done, as we know, and nothing could be done in the Security Council under article 43 because of the disunity among the big powers.

Then four years later came Korea, and the Canadian response to this challenge to peace and security in 1950 reflected our desire to bring about something more permanent than merely collecting forces for an emergency. As hon. members who were here at the time will recall, a Canadian infantry brigade was made available for United Nations service generally, and I think it was the only force in the United Nations at that time which was offered in those terms, for general United Nations service and not merely for Korea. I do not think any other member of the United Nations went as far as we did at that time. Certainly no one went farther. As I said in the House of Commons when explaining our action in September, 1950:

"We hope that other countries will make their contributions to the Korean force in that form", that is, for use anywhere subject to constitutional procedures, "so that next time this kind of aggression takes place there will be forces in being to deal with it."

On October 11 of the same year I said before the General Assembly:

The action of the Security Council in June showed how unprepared most members of this organization were to implement quickly the recommendations which they accepted. We were frankly not organized for this purpose. We had to improvise. We hope that next time we may not have to improvise.

No progress was made in bringing about this kind of organization for security. The Security Council frustrated all efforts to that end, and that was why in 1950 we passed a Uniting for Peace Resolution which could transfer to the Assembly the responsibility for collective security in these circumstances of frustration and failure in the Security Council. On that Uniting for Peace resolution we had this to say at the United Nations Assembly on November 3, 1950:

It will not be enough for a few countries to take action. We must all, within measure of our capacities, contribute to implementation of this resolution.

Certain other smaller governments took the same stand but over the years nothing was done, and there was no real organization in being when we were faced with this most recent crisis. A collective measures committee was set up by the Assembly but its activities were not very effective.

Then on January 31, 1956, the hon. member for Prince Albert (Mr. Diefenbaker) brought up in this house the question of an international police force, and it was a very pertinent question.

Mr. Diefenbaker: Just for the Israeli-Arab situation.

Mr. Pearson: Yes, he was limiting the value of this force at this time to a particular situation on the Israeli-Egyptian border. In response to this intervention--I had just come back a few months previously from the discussions in Egypt--I said this in the house as reported at page 777 of Hansard of February 1, 1956:

As I said the other day, I have had talks with the leaders of the Arab governments and the Israel government, and I had talks with General Burns when I was out there and at the United Nations. I think there is a great deal to be said for trying to bring that kind of police force into existence in this disturbed area at this time as a provisional measure to keep the armies apart while peace can be secured. If that proposal were made--and I know the Secretary-General has been considering it, and from press reports to which my hon. friend has referred I understand that it has been discussed in Washington in the last few days--and if it became a matter for United Nations consideration, I am sure this country as well as other countries would want to do what they could to carry it into effect.

And following that--

Mr. Rowe: In view of that fact, as our representative, did the minister not bring it before the United Nations for consideration?

Mr. Pearson: That is just what I was coming to, Mr. Speaker. I have been looking up the record in the last day or two in order to see what we had been able to do in this matter. We did follow it up. We followed it up with the governments most particularly concerned, namely the Israel government, the British government, the French government and the United States government and with the Secretary-General of the United Nations and again with General Burns, the truce commissioner.

Mr. Diefenbaker: What date was that?

Mr. Pearson: This began in February and went on for the next two or three months. These were ordinary diplomatic discussions to see whether it could be useful initiative on our part at that time to put forward a proposal for a United Nations force, not a truce commission, to patrol the boundary between Israel and her Arab neighbours in order to try to prevent the incidents which were building up and which had a great deal to do with the ultimate explosion last October. We were discouraged by the response given to this proposal. We received

very little support for it from any governments concerned. Indeed, we received no active support from any of the governments concerned, because they felt it was not timely to introduce a United Nations force of that character into Palestine when the boundaries had not been determined, when a political settlement had not been reached and when the parties to the conflict--and it was a conflict--were opposed to such a force.

Mr. Diefenbaker: What countries raised that objection?

Mr. Pearson: There was not a country with which we discussed the matter that actively supported the idea. When we get into committee I will be able to give more details, I hope, with regard to this matter. Certainly in our view it was important to have a police force of that kind operate with the consent and the active co-operation of the governments most concerned.

That then was the situation, Mr. Speaker, when our United Nations force resolution was introduced, and that is the background to our initiative in this matter. At the time our resolution was introduced the 19-power Asian-Arab resolution had already been introduced, which reaffirmed the earlier United States resolution which had been carried by this time and which insisted on a cease-fire and a withdrawal of troops, and which asked the Secretary-General to report within 12 hours on the compliance with that injunction. That night of November 3 and 4--and the session went on all night--tempers were rather high. The talk was strong and the danger of a rash--as we would have thought it--condemnation of the United Kingdom and France as aggressors was very real. The situation was deteriorating and the communists were working feverishly and destructively to exploit it.

In these circumstances and having, as I have said, canvassed the situation carefully with our friends and having studied Sir Anthony Eden's speech, we moved this resolution concurrently with the 19-power Asian-Arab resolution which was an attempt to get British, French and Israeli forces out of Egypt.

It was a very short resolution, and it asked the Secretary-General merely to submit, within 48 hours, something we had been unable to do anything about for ten years, namely, a plan for setting up an emergency international United Nations police force with the consent of the governments concerned. If we had not put in that phrase "with the consent of the governments concerned" we might not have been able to secure a majority for our resolution. As it was, the resolution passed unanimously, as hon. members know. Steps were taken immediately by the Secretary-General to report back what he was able to do in 48 hours in the setting up of this force to supervise and secure a cessation of hostilities in accordance with the terms of the earlier resolution of November 2, one of which was to ensure freedom of navigation in the Suez Canal.

We obtained 57 votes as sponsors for the resolution. There were 19 abstentions. Nobody voted against us. The United Kingdom and France did not find it possible to vote for that resolution at that time but they have indicated, both privately and publicly, their great appreciation of the initiative which resulted in its being adopted and they have also stated their support for it since then. At the same time--and this is related to the first resolution--the Asian-Arab resolution was put to the vote and carried by a large majority, 59 to 5 opposed.

Mr. Churchill: How did Canada vote?

Mr. Pearson: Canada voted for that resolution asking for a cease-fire and a withdrawal of the forces from Egypt. There were 5 opposed. There were 59 in favour, including Canada. Then on November 4 we started to work, and we had something to do with this because we were the sponsors of the resolution and had a certain obligation in connection with helping the Secretary-General carry it out. We started to work on organizing a United Nations police force or at least to form the basis of the organization and report back in 48 hours.

As it happened the Secretary-General, who has played a magnificent part throughout all these difficult days, was able to make a first report within 24 hours. Offers of contributions to the force began to come in within that 24-hour period. That Sunday night when we were working on the establishment of the force the United Kingdom and French ground forces landed at Port Said. The situation at the United Nations immediately began to deteriorate. Things became very tense. The Security Council was called into emergency session and refused to consider a Soviet proposal for Soviet and United States intervention because the matter was before the United Nations Assembly. Then in the midst of rumours of Russian intervention, rumours that there would be a determined demand by the Arab and Asian members of the Assembly to brand the United Kingdom and France formally as aggressors under the Charter and to invoke sanctions against them, the Assembly met on Tuesday morning, November 6. It had before it the Secretary-General's final report on the organization of the United Nations force. At that time he was able to report progress with regard to the composition of the force. He was able to lay down certain principles and functions for that force but not to go into detail, for two reasons. He did not have enough time, in the first place; and in the second place if we had attempted to do it in detail, we would still be arguing about what those functions should be. There was however one important detail, namely that the force should exclude contingents from the permanent members of the Security Council. The significance of that detail is obvious.

A draft resolution was drawn up supporting this report and authorizing the Secretary-General to go ahead on that basis, to discuss participation with other governments. It set up also an Advisory Committee of seven members of the Assembly to help him in this task. Canada is one of the members of that committee.

It is interesting to note in passing that four members of that committee are members of the Commonwealth of Nations. While we were trying to get this resolution through and get it through quickly and with a big majority--it was finally passed unanimously--another resolution, in the atmosphere of the fighting that was going on at that time in Suez, was introduced demanding the immediate withdrawal of forces, and that the secretary-general should report that this had been done in 24 hours. Both these resolutions were being considered together.

In so far as the force was concerned, as I said, the resolution passed unanimously after we had managed to vote down--and it was a very important vote indeed--an amendment to put Czechoslovakia on the advisory committee of seven. The resolution was then passed by 64 to 0, with 10 abstentions.

Mr. Churchill: Would you name the Advisory Committee?

Mr. Pearson: The Advisory Committee in this matter consists of Ceylon, India, Pakistan, Brazil, Colombo, Norway and Canada, with the Secretary General as the chairman of the committee.

The same evening, Mr. Speaker, a 19-power resolution demanding immediate withdrawal was passed by a vote of 65 with only one opposed, Israel, and with 10 abstentions. The United Kingdom and France did not oppose that resolution, they abstained on it. We voted for that resolution after having stated our interpretation, which was accepted by a good many other delegations, of the word "immediate". If that interpretation had not been stated and accepted by many we would not have voted for it. By "immediate" we said we had in mind that the United Kingdom and French forces would withdraw from Egypt as soon as the United Nations forces had been moved there and were operating satisfactorily. By getting our United Nations force resolution through and by accepting this Arab-Asian resolution of withdrawal, which had in it no element of sanctions, we were able to reject extreme demands which were being made, and which would have led us into grave danger indeed.

We think that the resolutions that night were a wise move, and we think also that they helped the United Kingdom and France in accepting the cease-fire, which they did either just before or shortly afterwards.

Now, Mr. Speaker, there has been a good deal of talk, though not very much in this house as yet, as to whether the United Kingdom and French governments were pressed into the acceptance of this cease-fire by United Nations action, and whether we should not have let them go ahead, not pressed them and resisted moves to press them in respect of this resolution on cease-fire and withdrawal. If we had done that, and the United Nations had kept out of this at that particular moment, it is said the British and French forces would have been able to complete the military job of clearing the canal of Egyptian forces from Port Said to Port Suez.

I suggest with diffidence, because this is a matter which is or primary concern to the United Kingdom and French governments, that they were very wise indeed in stopping military operations at the time they did. After all, they had indicated that they were going into that area to stop the fighting at the canal and to prevent the conflict continuing between Israel and Egypt in such a way that it would interfere with the operation of the canal.

By this time both Israel and Egypt had accepted the cease-fire. Therefore the original reason given by the United Kingdom and French forces for intervening had been removed. If the United Kingdom and French forces had continued fighting at that time, after the Egyptian and Israeli governments had accepted the cease-fire, I suggest that the Commonwealth might not have been able to stand the strain; that the Asian members of the Commonwealth might not have been able to remain in it in those circumstances. There is evidence from New Delhi, Karachi and Colombo to support that statement. I suggest also that a continuation of the fighting, even if it had had immediately successful military results, would have created even a deeper and more permanent split between the western European and Arab world. It might well have led to the occupation of Egypt, which was not an original objective of British-French intervention. It would have been a standing invitation to the Egyptian government to invite in at that time, when the fighting was going on, Soviet volunteers. Whatever the reasons may have been, and I think they were good ones, the United Kingdom and French governments did accept the cease-fire and we entered a new stage of developments.

There were only two more resolutions subsequent to the one I have just mentioned. The one last Saturday asked for withdrawal once again. We did not support it because we felt that the withdrawal had begun. We had confidence in the good faith of the British and French when they told us that the withdrawal would be completed. We felt at that time that to support another resolution of withdrawal would be to assimilate the position of the British, French and Israelis to that of the Russians in Hungary.

Then the final resolution carried Saturday night approved an aide memoire which gave the Secretary-General further authority to organize the United Nations police force. By a very important paragraph in that resolution he was told to get ahead with the clearing of the Suez canal. In spite of efforts by Soviet and certain Arab-Asian countries to hold up the work on political grounds, he has now authority to go ahead with the vitally important work.

Functions of the U.N. Force

Now, Mr. Speaker, we have the United Nations force in being and I am sure the house would like me to say something about the functions, operations and composition of that force, and Canada's contribution to it.

The function of this force which is now in being is to secure and supervise the cessation of hostilities, as I pointed out this morning, and carry out its task in accordance with directions received from the United Nations, not from any one member of the United Nations. The force--and it is interesting to recall that the resolution authorizing this force was passed not much more than three weeks ago--is now in being in Egypt where it will be stationed, or any place else where the United Nations considers it necessary to be stationed, in order to carry out the functions which I have just mentioned. The most important function is, of course, the policing of the zone between opposing forces in Egypt in order to prevent the recurrence, if possible, of the fighting. At the present time the headquarters of the force is along the Suez, but it may of course be moved.

It is not a fighting force in the sense that it is a force operating under, say, chapter 7 of the United Nations Charter, which deals with enforcement procedures. It is not a United Nations fighting force in the sense that the force in Korea was; it is operating under a different chapter of the Charter dealing with conciliation procedures. Therefore the alarmist interpretation, the alarmist possibility, mentioned last night by the hon. member for Vancouver-Quadra that Canadian elements in this force might find themselves in conflict with British soldiers is, I suggest merely a figment of his imagination. It is not the purpose of this force to be used in fighting operations against anybody. It is not that kind of force. If the hon. member had read the United Nations document concerning the function and organization of this force, which have already been agreed on, he would, I think, have understood that.

This force will stay in Egypt until the United Nations decides that its functions are discharged, or, of course, until the governments participating in the force withdraw their contingents. It must, of course, not infringe on the sovereignty of the government of the territory in which it is operating. That is obvious. But the exercise of that sovereignty in the case of the government of Egypt where the force is operating now must be qualified by the acceptance by Egypt of the resolution of the United Nations concerning the force. Egypt has already agreed to the admission of this United Nations force to its territory; and it seems to me to be obvious, because it is not an enforcement action of the United Nations under Chapter 7 of the charter that every effort should be made by the Secretary-General of the United Nations, and by the United Nations itself, to secure and maintain the co-operation of the Egyptian government in the functioning of this force, and the co-operation of the other governments concerned, including the government of Israel.

But that does not mean, as I understand it--and I assure you, Mr. Speaker, this has been made very clear in meetings of the Advisory Committee--that Egypt or any other government can determine by its own decision where the force is to operate, how it is to operate or when it must leave. Furthermore, the right of Egypt to consent to the admission of

a United Nations force to its territory does not imply the necessity of consent to the admission of, or the right to reject, separate units or elements of that force. That is a stand, Mr. Speaker, which the Canadian representative on the Advisory Committee has taken. I have already made it clear to the other members of the Committee and to the Secretary-General, and the Secretary-General has agreed to this statement. I said at the second meeting of the Committee--

I was referring to the government of Egypt.

If their position is that they at any time could decide that the United Nations force had finished its work and should leave, that, I think, would be quite intolerable; and there is also an interpretation of the United Nations resolution which says that the force must be sent to Egypt only with the consent of the Egyptian government which means that the Egyptian government would exercise a veto over every contingent in that force. That, I think, would be equally intolerable, because what kind of a United Nations force would you have? What principle would you be acting on in the United Nations if that country--

I was referring to Egypt

--which the United Nations was trying to assist in organizing and sending forward this force should decide who would take part in it? That is something, of course, that has to be worked out between the Assembly and yourself--

I was referring to the chairman of the Committee.

--as the representative of the Assembly, and the Egyptian government, but to admit for a minute that the Egyptian government will decide that a force from country A is admissible and a force from country B is not is something, of course, that I could not accept.

We have made that stand clear at other meetings of the Committee of seven. That, Mr. Speaker, brings me to the negotiations undertaken by the Secretary-General in regard to the composition of the force and particularly in regard to Canadian participation in it.

The Canadian Contribution

The first resolution dealing with this force was passed in the United Nations assembly on November 4. We had already said by the time that resolution was passed--and by "we" I mean the government in Ottawa--that we were in favour of it and that we would recommend a contribution to it. The day after the resolution was passed I met the Secretary-General as the sponsor of the resolutions and discussed with him the question of putting some United Nations troops into the area at once. He considered it to be a matter of the most immediate urgency. So I said I was authorized to state that the Canadian government was willing

to participate, and later in the day I wrote a formal communication to him to that effect, saying that we had decided to make an appropriate contribution subject to the required constitutional action being taken in Canada.

The next day I also talked with the Secretary-General about the force and he was then also emphatic, for the obvious reason that the situation seemed to be deteriorating, that we must proceed quickly. We discussed the nature of our contribution that afternoon, I by telephone with my colleagues in Ottawa, when the question of a battalion came up. Meanwhile General Burns had been appointed as commander of the force and he will do a distinguished job in that position, I am sure, as he has been doing so in that area in the last two years in the face of very great difficulties indeed.

General Burns was asked to come to New York, and those countries that had already announced their desire to contribute were asked to send military advisers to New York to discuss the problem with the Secretary-General, his staff and General Burns. The Canadian Department of National Defense sent three officers down immediately and the next day, Tuesday, November 6, the Prime Minister announced that Canada would offer, and I quote:

Subject to adjustment and/or rearrangement after consultation with the United Nations commander--

--a self-contained battalion group with HMSC Magnificent as a temporary mobile base.

The consultations which we had had in New York up to that time led us to believe that would be a most welcome contribution, and we were urged to press ahead with it. The Secretary-General told me he was most anxious for us to get our battalion to a place where it could be embarked without delay.

General Burns reached New York a little later than we expected because he had to go to Cairo en route. The possibility then was mentioned that one country might provide all the administrative and air support at least in the initial stages. General Burns had found that difficulties were already developing because the infantry that had arrived, mostly from the Scandinavian countries and also from Colombia, were reaching the base without the necessary services and there was no headquarters organized to receive them.

These reports were sent by me to Ottawa. I returned to discuss them with my colleagues over the week end, and while I was in Ottawa the Secretary-General through his executive assistant phoned me on Saturday, November 10, about another difficulty that was developing and which has been referred to already in this discussion, namely that the Egyptian authorities

were concerned about the possibility of Canadian troops being mistaken for United Kingdom troops and that incidents might take place especially if the proportion of Canadian troops to the total force were high as would be the case if the Canadian infantry battalion had arrived at that time.

We in New York, and indeed in Ottawa on advice from New York, felt that these difficulties would be overcome, and in discussing them with the Secretary-General he once again asked us to make no changes in our plans pending further discussions and he hoped satisfactory arrangements could be made. So the government went ahead with the arrangements as originally contemplated.

Composition of the Force

These difficulties I have been talking about, difficulties of administration and difficulties of composition, were not unique to Canada. Indeed they were not surprising considering the fact that the United Nations was starting from nothing in organizing this force; with the political situation so difficult both at the United Nations and in Egypt, and considering also the fact that under the resolution authorizing the Secretary-General to organize this force he was instructed to work out--the phrase that was used was a "balanced force"--a balanced force militarily for police work and a balanced force, as he interpreted it, geographically and politically if possible.

Perhaps I should interject at this point, in connection with this particular difficulty, that among the countries that have offered contributions are Roumania and Czechoslovakia. Countries other than Canada have made offers of contributions which have not been dealt with, and they are waiting to hear from the Secretary-General also. The problem now was a very difficult and complicated one, all the more so as the greatest need at that time was to get more people to the spot.

Well, then, I think it was on Tuesday, November 13, when back in New York from Ottawa that I had another talk with the Secretary-General in relation to the new difficulties which had occurred, I emphasized to him at that time that we felt it absolutely essential to the success of this effort that neither Egypt nor any other country should impose conditions regarding the composition of the force. I told him that on this matter we would negotiate only with him, the Secretary-General, although we recognized, of course, that it was right and proper that he should discuss these matters with Egypt in order to avoid, if possible, subsequent difficulties.

Nevertheless, on that Tuesday I asked him again about composition in view of the developing difficulties, and whether we should proceed with our plans for moving the regiment. The Secretary-General said--this was Tuesday, November 13, and I quote from his statement to me which I took down, that he hoped we would go right ahead with our plans.

He also discussed with me the question of composition on the next day, Wednesday. Then later we had a meeting of the Advisory Committee on the matter and I have already read from the minutes of that meeting. Following that the Secretary-General flew to Cairo. He left New York in the hope that these difficulties would all be cleared up before he had returned. As we were having diplomatic discussions about them and as it seemed that these discussions might end in a satisfactory way, we did our best, I quite admit, to discourage any premature publicity about difficulties which might be settled and concerning which, if the publicity were inaccurate, we would have even greater trouble in clearing up. Therefore on Thursday, November 15, the Prime Minister said at Toronto:

Units of Canadian contribution to the UN force are ready and the order in Council placing them on active service under UN command will be passed and Parliament summoned as soon as we can ascertain from General Burns what elements he needs and cannot get from other countries.

During that week-end when General Burns had reached New York and the Secretary-General was in Cairo I was in touch with the Secretary-General by telephone and cable through our Embassy. I stated to him that I had had word about his discussions with the Egyptians; that while I appreciated the difficulties which had arisen and while naturally we wanted to help the Secretary-General already so overburdened with problems, in any way possible, nevertheless we could not accept the principle that any one government could determine what contribution or whether any contribution would be made by a member state in connection with the United Nations force. I am glad to say that the Secretary-General has taken the same position.

Then we discussed the difficulty on the Secretary-General's return. I know my hon. friends want to have all the facts in connection with this matter. We have had wild rumours and exaggerations which have appeared in the press about Nasser's farce, as the Acting Leader of the Opposition called it yesterday.

As a result of these discussions the Secretary-General had sent a communication to me from Cairo which I shall put on the record:

The question of when and where ground troops shall be used--

That is Canadian ground troops.

--can best be considered when the UNEF can assess its needs at the armistice lines. The present situation seems to be one where it is not a lack of troops for the immediate task but of possibilities to bring them over and maintain their lines of communications.

That was a message from the Secretary-General, not from the Egyptian government. He also emphasized that in sending it neither he nor anyone else was laying down conditions for

Canadian participation because he felt that that would be improper. On his return and after further discussion with General Burns it was agreed that for the time being we should concentrate on getting these other forces to Egypt and hold the infantry battalion in reserve. General Burns himself said he agreed that it was even more important at the present moment to have an air transport headquarters, administration units, signals, engineers, army service, medical units and forces of that type; which were later to be sneered at by some excitable persons as constituting a typewriter army, something that will not I think commend itself to the members of these very gallant Canadian regiments.

We agreed then to this change in plans, although regretting it. It is indeed our desire to fit in our plans with those agreed upon by General Burns and the Secretary-General and keep the rest of our forces available for transmission to the area; and on Tuesday November 20, the order in council was passed to that end. I ask whether we could or should have proceeded otherwise. I am sure that most members of the house will agree that we would have been wrong if we had not made the offer we did in the first instance without delay, an offer which at that time seemed most appropriate and was considered as such by the Secretary-General.

To have made no offers or to have made no plans; to have held back our offer until everything was cleared up; to have permitted no movement of troops of any kind, would I think have left us open to criticism, to the charge that we were dragging our feet in connection with a proposal which we ourselves had put forward. I think also that we would have been wrong to have interfered with our plans until we were certain that their implementation or the timing thereof was to be changed.

When we were asked to make that change, not by Colonel Nasser but by the Secretary-General of the United Nations and the commanding general of the United Nations forces, we could have either accepted or rejected the request. The latter would have meant delaying any action or, as has been suggested in a few extreme quarters, we could have withdrawn from the United Nations force completely. I am confident that if we had taken either of those courses, if we had delayed taking any action or withdrawn from the force, in view of the developments we would have been open to grave criticism and we would have got most of it from some hon. gentlemen opposite who have spoken already in this debate. I think the course we took was the right course, and it was considered the right course by the United Nations officials concerned.

It did not seem to me to be the time--I am talking now about the time we were confronted with the necessity of changing our plans, at least temporarily--or the occasion for national pique or peevishness or sneering at this new United Nations force as being Nasser's farce. It seemed to me that the situation was far too serious for that. What was required from every member of the United Nations was to back up the United Nations force to the best of its ability after

receiving the best advice it could. After receiving such advice from the United Nations itself we took that course, and as a result there is not a United Nations force which within between three and four weeks of the resolution authorizing it now includes on the spot--at least this was two days ago and there have been additions since that time--1,700 troops of which 20 per cent or 350 are Canadians. There will be soon more Canadians on the spot. Twenty-three nations have offered contributions to that force and eight of them including Canada, have seen their contributions embodied in the formations on the spot which are now working together under the United Nations blue flag of peace.

Immediate and long-term objectives

May this force succeed in its task. If it does we may have started something of immense value for the future. We may have taken a step to put force behind the collective will of the international community under the law. That is our immediate task, to make this force work, to prevent fighting in the area and to establish conditions there through the operation of this force so that the United Nations itself can work out speedily an enduring and honourable settlement for that area, including relations between Israel and her neighbours and the international supervision and control, if that can be done of the Suez Canal.

While that is our immediate objective we have another objective which is just as important and I suggest just as immediate, and that is to restore unity among the allies. The western coalition, which is essential for peace in these disturbed times and which requires close consultation and co-operation among its members if it is to succeed, especially among London, Washington and Paris, has been subjected to strains and stresses in recent months. This has caused all lovers of peace in the free world great anxiety.

May I in conclusion repeat something I said on this point the other night to the American assembly of Columbia University, when I said:

The inability to bring about a reconciliation of interests inside a coalition has resulted in a collapse of western co-operation in the Middle East; a collapse which has brought distress to everyone except those who see in such co-operation the strongest barrier to the attainment of their own imperialist and reactionary power objectives. This collapse is, I am convinced, only temporary; but temporary is too long.

It must be a primary obligation on all of us to speed and make effective the work of repair and restoration. Indeed, we must do more than this. We must strengthen and deepen the foundation for such co-operation so that a collapse will not take place again in the face of the pull between the requirements of national and international policy. At the moment that is the primary task and responsibility of all who believe in freedom and security.

Then I went on to say:

It is less important at the present moment to dwell on the difficulties of the task than on ways and means of avoiding them in the future. A Canadian may, I think, be pardoned for emphasizing that this is particularly true in the case of consultation and co-operation between Washington and London and Paris. It is imperative, in our dangerous and disturbed world, that the lines of contact between these three capitals be repaired and renewed and reinvigorated.

Apart from the actual preservation of the peace, and indeed, related to it, there is no more important objective for western policy than this, and every possible effort must now be devoted, with understanding, with good will and with energy, to its achievement.

Jordan and Syria

Mr. Diefenbaker: Would my hon. friend allow a question at this time? I have mentioned the matter to him in advance. It has to do with the grave situation that arose today in Jordan and also the even graver situation in Syria. Would he, before concluding, say something with respect to the situation over there which today has become so critical, and also whether in view of what is taking place there the United Nations force will have to be increased over and above the numbers provided for under the present arrangements?

Mr. Pearson: Mr. Speaker, my hon. friend was good enough to tell me before I came into the house that this matter was very much on his mind and that he proposed to ask a question about it. I am anxious not to say anything, without pretty careful consideration, about a matter which is of immediate gravity because, as I understand the reports we have received, this is a matter of immediate gravity. I do not want to be panicky or unnecessarily alarming about it, but there are reports that Russian penetration is going on in Syria to an alarming extent and that there are moves inside Syria which might result in the domestic control of that country by a group which seems quite willing to work with the Soviets in this matter. That is not a prospect that can cause anything but alarm. There are the same elements in other Arab countries, but we must hope that these countries themselves will take some steps to prevent that kind of development.

As for the other part of his question, whether the United Nations force should be increased to take care of a situation of this kind, the numbers of that force are not yet determined. I suspect that before long we will find it very greatly increased over its present number, but it has been set up to deal with a situation arising out of a cessation of hostilities between Israel on the one side and the United Kingdom and France and Egypt on the other, and its present terms of reference would not authorize it to intervene in any other dispute



STATEMENTS AND SPEECHES

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SPECIAL SESSION - 22ND PARLIAMENT

Canadian Participation in the United Nations
Emergency Force in the Middle East and the
Situation in Hungary

Text of the Speech from the Throne and Excerpts
from Statements by the Prime Minister, the Hon-
ourable Louis St. Laurent, the Honourable W.
Earl Rowe, Mr. M.J. Coldwell and Mr. Solon Low,
in Parliament on Monday, November 26.

Speech from the Throne

Delivering the Speech from the Throne at the opening of the Fourth (Special Session) of the 22nd Parliament, the Governor General said:

Honourable Members of the Senate:

Members of the House of Commons:

You have been summoned at this time because of the serious international situation arising out of hostilities in the Middle East and the events in Hungary.

Members of the House of Commons:

You will be asked to provide expressly that the provision for defence expenditures in the Appropriation Act No. 6, 1956, be used for the purposes of Canada's participation in the United Nations Emergency Force for the Middle East in fulfilment of our country's obligations to the United Nations Organization under the Charter. You will also be requested to authorize the provision of relief for the victims of the recent tragic events in Hungary.

Honourable Members of the Senate:

Members of the House of Commons:

May Divine Providence continue to protect this nation, and to guide the Parliament of Canada in all its deliberations.

The address in reply to the Speech from the Throne was made by Mr. Gérard Légaré (Rimouski) and seconded by Mr. A.B. Weselak (Springfield).

Hon. W. Earl Rowe (Acting Leader of the Official Opposition)

I know that the people of this country and hon. members of this House, especially members of Her Majesty's loyal opposition, were shocked over the last week end on two different counts. The first was the strange attitude taken by the United States of America in the United Nations when despite the rather vigorous attitude of Canada's representatives the week before we had the almost embarrassing silence on Saturday night in connection with the issue then before the United Nations. As has been mentioned by the hon. member for Springfield (Mr. Weselak), some of the British and French troops have been moved from the Near East, but I understood that when the cease-fire agreement was concluded the one main and fundamental condition of that agreement was that there was to be an effective police force in the Near East before the British and French troops would move. Yet now they are asked to move forthwith.

Right Hon. Mr. Eden, Prime Minister of Great Britain, has said that the British-French invasion of Egypt has blocked a communist plot in the Middle East, a plot which would have led to "the loss of countless lives and more other evils than we can even estimate." The record of the last few years truly gives us more reason to trust the Prime Minister of Britain than President Nasser of Egypt.

We are of course committed now to the United Nations and all its wide areas of operation. While there are grave differences of opinion in the United Nations organization, nevertheless all who are honestly striving and struggling for world peace are earnestly hoping that the worthy intentions and aspirations of that organization may not be sacrificed by abandoning the basic principles behind its creation. The fundamental and most important of these principles to prevent aggression and preserve peace was the principle of collective action. The United Nations organization of today seems at times to be united in name only.

If our Canadian troops are to be used as part of UN police forces, it is our duty to see that they are given a possible function toward a sound objective. We must never ask them merely to clear a course and police a route for

Colonel Nasser and his Russian comrades to pursue quietly and cunningly toward the diabolical purpose they have so boldly emphasized.

During the last session of parliament repeated requests were made by the opposition for information on Canada's interest in the Mediterranean crisis.

At that date, as evidence that the government had certainly not given careful consideration to the policy to be followed if the Suez canal crisis increased, there is the statement made by the Minister of National Defence (Mr. Campney) on August 3 in Vancouver:

This is primarily a European matter. It is not a matter which particularly concerns Canada. We have no oil there. We don't use the canal for shipping.

If our government had been following the course of events in the Middle East, as we would expect it to do, it would surely not have been as "distressed and dismayed" as the Secretary of State for External Affairs said it was when he gave his press conference on October 31. An ostrich raising its head from the sand might have felt the regret and shocked surprise which apparently rent our Cabinet. I do not think a well-informed government, conscious of the implications of Soviet strength in the Middle East, would have been so surprised.

Whatever the division of opinion within the Cabinet as a result of the British and French ultimatum to Egypt and Israel on October 30, the idea put forward by the opposition through the hon. member for Prince Albert ten months ago in this House was hastily revived at last in the proposal to send an international emergency force to the danger area, even though it was merely scoffed off ten months ago. I submit it might have been better to organize it ten months ago than to wait until after the trouble had occurred.

I believe there is no disagreement among us regarding the desirability of forming a UN police force to police the Suez canal area pending a final settlement both between Egypt and Israel and also concerning the international status of the Suez canal. This party has over and over again emphasized the importance of the underlying and fundamental principle of the League of Nations as well as the United Nations. We have been on record to that effect time and time again. In the United Nations we need more than platitudes or bluffing. We need more action.

When it was finally announced 10 days ago that Canada was sending an administrative staff to the United Nations force, there was considerable surprise throughout Canada. This surprise turned into anger and dismay when it became clear that

the United Nations, through its Secretary-General, was allowing the Egyptian president Nasser to dictate or at least to exercise a veto over the exact composition of the United Nations emergency force. Surely the realization that Colonel Nasser was specifying what we might or might not contribute to the United Nations must have brought a feeling of humiliation and embarrassment to the members of this government.

I believe it is the solemn duty of the opposition in this House to insist that the whole story of Canada's participation in the United Nations emergency force be told. Canada's pride has been wounded by pretense and evasion. Surely we have not stumbled and blundered into a position in which our contribution to the United Nations emergency force is no longer dependent upon our own generous instincts and desire to preserve peace in the world.

I have mentioned the dangers which the free world is facing in the Middle East through Soviet aggression there. I know I need not remind this House that Soviet activities in the Middle East are all part of a pattern with the tragic events which have been taking place in Hungary during the past few weeks. Soviet domination of all its satellite countries is maintained only by force. Those at the head of affairs in the Kremlin are following the practices of Stalin's regime to dominate and extend the Soviet empire.

We have joined with the great majority of members of the United Nations in condemning Soviet aggression in Hungary, and particularly the removal by Soviet troops of thousands of Hungarians who had dared to fight for the freedom and independence of their country from foreign rule. It may be that the expression of strong United Nations disapproval of Soviet acts in Hungary will produce an ameliorating effect on the men in the Kremlin, but so far the Soviet Union does not seem to have been much impressed by the United Nations condemnation of its actions. No matter how strongly we have talked against them they have not even listened, and have only laughed at the suggestion.

I notice that our government has not been claiming very great credit for its role in helping Hungary through the United Nations. I do not know how it could. Having regard to the principles governing our security throughout the world in the past, surely we should realize that the interests of Canada in the Middle East and in Hungary are closely tied together. The attempt by the United Kingdom and France to limit Soviet expansion in the Middle East was crippled through what I believe to be the inept diplomacy of the United States in the role it played in the Suez canal crisis.

I hope that voices will be raised in this House to urge the government to take a substantial bloc of refugees as our contribution toward the relief of the great sufferings of the Hungarian people in their noble struggle to free their

ancient country. Anything less than this would be an insult to the people of Hungary and an embarrassment to people all across this dominion, because people from that country have contributed greatly to the development of this young country of Canada.

Many thousands of these brave people are today flooding Austria, those who are not shot and chopped down by the Russian army along the border, no doubt emphasizing the tragedy in that district. All one has to do is read the papers, and the contents of those papers are too terrible to repeat here. It should be within the knowledge of everyone here.

It is not my intention to delay this debate by speaking at great length. I do not look upon this as an issue concerning which we can come to parliament and rush in and rush out for the convenience of the government. This is a vital issue which touches the heart of every Canadian. It concerns the lives and hopes of these people and their children and their children yet unborn. I do not look upon this as a political issue, but Canada is disturbed, Canada is alarmed and Canada is shocked at the vacillation and complacency of this government in relation to this as well as many other matters. It is useless to hide behind the great shield of the United Nations. The United Nations is no stronger than the countries it embraces. A chain is only as strong as its weakest link. Canada has failed dismally in its representation at the United Nations.

Therefore, Mr. Speaker, I move on behalf of Her Majesty's loyal opposition, seconded by the hon. member for Vancouver-Quadra (Mr. Green):

That the following be added to the address.

That this House regrets that Your Excellency's advisers

(1) have followed a course of gratuitous condemnation of the action of the United Kingdom and France which was designed to prevent a major war in the Suez area;

(2) have meekly followed the unrealistic policies of the United States of America and have thereby encouraged a truculent and defiant attitude on the part of the Egyptian dictator;

(3) have placed Canada in the humiliating position of accepting dictation from President Nasser;

(4) have failed to take swift and adequate action to extend refuge to the patriots of Hungary and other lands under the cruel Russian yoke.

Prime Minister L.S. St. Laurent

There has been some suggestion that Canada has been humiliated by Colonel Nasser. Canada has had no dealings whatsoever with Colonel Nasser. Canada has dealt with the United Nations and the United Nations in this instance have been represented by the Secretary-General and by another gentleman who is a very distinguished Canadian in whose patriotism as well as in whose wisdom this government has practically unlimited confidence. I refer to General Burns.

Originally there was this motion proposed which has been construed, and I think rightly so, as placing some blame on the Israelis, some blame on the French and some blame on the British for having taken the law into their own hands when what had to be dealt with was already before the Security Council of the United Nations. These gentlemen who utter these high-flown phrases seem to forget that the nations of the world signed the Charter of the United Nations and thereby undertook to use peaceful means to settle possible disputes and not to resort to the use of force.

I have been scandalized more than once by the attitude of the larger powers, the big powers as we call them, who have all too frequently treated the Charter of the United Nations as an instrument with which to regiment smaller nations and as an instrument which did not have to be considered when their own so-called vital interests were at stake. I have been told, with respect to the veto, that if the Russians had not insisted upon it the United States and the United Kingdom would have insisted upon it, because they could not allow this crowd of smaller nations to deal decisively with questions which concerned their vital interests.

An Hon. Member: Why should they?

Mr. St. Laurent (Quebec East): Because the members of the smaller nations are human beings just as are their people; because the era when the supermen of Europe could govern the whole world has and is coming pretty close to an end.

It has been said that Canada has been humiliated by the action of Colonel Nasser and has been made to submit to the requirements of Colonel Nasser. That is just one of those wild assertions for which there is absolutely no foundation in fact. The original resolution provided that the United Nations in its efforts to make peace in the world would not start their efforts to make peace by making war. It was going to introduce a police force to supervise the observance of the cessation of hostilities, but it was going to do that with the consent of the country in which those forces were going to operate. It was not going to fight its way into that country. That was the resolution which was adopted without any opposition, although with a certain number of abstentions.

At that time the Secretary-General of the United Nations gave us the chance to participate in this force, and gave it to those who were willing and anxious, as we have been willing and anxious since 1945, to have a United Nations force ready to deal with recalcitrants in the fulfilment of their obligations under the charter. The suggestion was made that each nation should supply something like a battalion or other self-contained unit.

We consider that every battalion in the Canadian forces would feel it an honour to be called upon to perform this duty, but there was one battalion which was next in line in the rotation of service in connection with the Canadian contingent to the NATO forces in Europe, and that was the Queen's Own. It seemed to us that all the other battalions would recognize that that battalion, having been groomed and being on the point of being called upon to replace another battalion in Europe, would naturally be the one which we would consider and which we would think of first to take on this new duty in pursuit of the objectives of the United Nations. That battalion happened to be the Queen's Own Rifles. It was suggested, I am told, although we were not present at the negotiations, that Colonel Nasser said that that would be regarded by the Egyptians as being a battalion of the Queen of England.

An Hon. Member: What is wrong with that?

Mr. Green: What about the Queen of Canada?

Mr. St. Laurent (Quebec East): In my view nothing is wrong with it except it is the Queen of Canada's Own Rifles. No Colonel Nasser nor anything that is said here, unless it amounts to a successful vote of no confidence in this government, nor anything published in the papers which are trying to belittle the actions of Canada in this instance, is going to persuade us that we have no right to have that glorious battalion continue to be called the Queen's Own Rifles.

Now, we felt that the sending of a battalion over into the Sinai desert was not just the right thing to do for men who had the training and who were anxious to perform the service for which we were sending them there. We did not think we should dump 900 or 1,000 men into a desert and think they were going to be looked after properly and were going to be kept in fit condition to perform the services for which they were going there. So we decided at once that in readying the Queen's Own Rifles for that expedition there would be added supplementary forces that could ensure for them the establishment that would be necessary for them to carry out their functions properly and, to make assurance doubly sure, we said we would have the Magnificent loaded with provisions, that we would have a hospital unit on it and that it would serve as a floating base so our men would be sure that until proper army services were organized on a land base in Egypt there would be the possibility for them to get the right kind of treatment,

the treatment necessary in order to enable them to fulfill their mission. It was pretty effectively demonstrated, in spite of what has been said by hon. gentlemen in some parts of the House about a lot of money having been spent on our forces with nothing to show for it, that within a very short time we were able to move everything required to put a battalion in the field, and indeed, we could put several battalions in the field if it were necessary to do so.

Whether that turned out to be the ultimate requirement of the commander of the United Nations force, we felt that something of that kind would be just as effective and as good an exercise as some of these simulated exercises that are constantly taking place to keep men in readiness to take the field if the occasion should require, because in this case there was something real for which the need for activity was being undertaken.

During that time there were negotiations going on, and there was some suggestion with regard to the placing of infantrymen. This again is something we have by way of hearsay concerning Mr. Hammarskjöld's discussion with the Egyptian authorities when he went over there to secure their consent to the operation of this police force in their territory. It was suggested that the only place infantrymen could go at that time would be to Port Said; that there they would be coming to a place where there were large numbers of United Kingdom troops wearing the same uniform worn by our men, that our men might be taken for reinforcements being brought in for the British troops there instead of a part of the police force of the United Nations, and that this might give rise to incidents which would, at the outset of this operation, be an unfortunate occurrence.

That was something that had to be considered by the Secretary-General and by the commander of the United Nations force, and when he arrived in New York we were immediately informed that he felt he did not have in Egypt a proper base to administer at once any considerably increased number of infantrymen, and that what would be most useful to him at first would be a group of 250 to 300 engineers and signallers whom he could use in organizing and establishing his base. He also said that another thing that was very urgently required was air transport. He had only three civilian planes chartered from Swiss owners, and they had thought they could make two round trips per day but had found they could only make one. He said that was holding up the organization of the effective force that should be and that will be on Egyptian territory. We did have the air transports.

Again I say that, even had the commanding officer not been a Canadian we might have said as others might have said, "Here is our contribution. Make the best possible use you can of it." But it so happens that the man who is going to have the responsibility of command, is of course a United

Nations officer but is nevertheless a Canadian, a great Canadian who is regarded as such by the majority of our people, and we felt that it was our moral duty, in addition to our general duty to the United Nations, not to let that great Canadian down. We felt that if there were requirements he was not getting from others and which he needed to put himself in a position where he felt he could carry out the responsibilities he was taking on, we should assist him in every way.

May I say here that he did not have to accept this responsibility. He has been working for the United Nations under pressure for quite a long time and did not have to accept this new responsibility, but he is not a man who has ever shirked anything put up to him as a duty that would be of service to his own countrymen and to the free nations of the world. He accepted the responsibility and we felt that we should do our best to see that he got everything required to enable him to discharge his responsibilities in the manner in which he felt they should be discharged.

The original resolution provided that there had to be consent of the government of the country where the United Nations force was going to operate. But that is all that requires the consent of the government of the country where the force is to operate. It is a United Nations operation. It is the United Nations that is going to determine the composition of the force going there. It is the United Nations that will determine where in that country the force will be stationed and when and how long it will be there.

Having accepted the condition in the resolution, it is our view, and I think the view of practically everyone at the United Nations, that the other modalities of the operation of this force are things to be determined, independently of Colonel Nasser or of anyone else in Egypt, by the United Nations on its responsibility to discharge the undertaking it has assumed in the interests of peace in the world.

The amendment before us reads in part as follows:

. . . this House regrets that Your Excellency's advisers have followed a course of gratuitous condemnation of the action of the United Kingdom and France which was designed to prevent a major war in the Suez area . . .

There has been no gratuitous condemnation of the action of the United Kingdom. On the first resolution that was introduced by the United States and supported by a very large number of members of the United Nations, the Canadian Delegation abstained and declared it was abstaining because it was an insufficient resolution. It provided merely for a cease-fire and nothing more. That was not good enough, because just as soon as that might become spent we would be back in the same position we were in before. There was abstention by the Canadian Delegation because there was applied there something which hon. gentlemen opposite have very

violently resented when it was applied here in a very modified form. The United Nations Assembly applied closure and determined that there would be three speakers supporting the resolution, three speakers opposing the resolution and that the vote would then be taken. As we were neither supporting nor opposing the resolution, we could not be one of those three; and there was no move to amend the resolution.

On that resolution there was no gratuitous or other condemnation by Canada but there has been an expression of regret that certain members of the United Nations had felt it necessary to take the law into their own hands when the matter was before the Security Council; and there was an expression of regret that what took place in the Middle East was used as a screen to obscure the horrible actions, the horrible international crimes, that were being committed in mid-Europe at the same time. Events in the Middle East made it more difficult to marshal world opinion in unanimous and vigorous condemnation of what was taking place in Hungary at that very moment.

That is what we regretted. We feel that there can come out of this situation one that will be better than that which existed previously. It is our hope and it has been our objective to get all those in the Western alliance to which my hon. friend referred working together toward the common objective of a settlement of the mid-Eastern situation that will be lasting and that will involve the recognition of the existence of Israel as a state set up by the United Nations and something which the United Nations is in honour bound to defend and to see maintained. It is our hope that there will be some kind of a lasting settlement -- I will not say a permanent one because permanence is rarely found in any human activities or human achievements -- though it is difficult to find with whom in all those Arab nations a settlement could be made that would take into account the real interests of the population of each of those countries. It is difficult to find anyone who can form the kind of a government which would take the over-all broad view of the interests of the whole population and not the interests of a small group of the population.

But difficult as it may be, we cannot expect that the North African nations or some of the Asiatic nations will achieve in a decade the kind of democracy that it took many centuries for the United Kingdom, France and the other western democracies to achieve. You cannot bring about in that short order that which has been the product of not always successful and wise efforts, but of a process of trial and error that went on over a long period of time and brought about an attitude that changed the form of administration of the European countries from medieval feudalism to popular democracy; and it is not going to be easy to bring that about in any short time, though we possibly now move faster, especially in moving from one physical place to another, than we ever moved previously.

you have in your country if that is the kind of Government your people want, and it is none of your business to determine what kind of Government there should be in any other country if that does not happen to be the kind of Government the people of that country want.

I said I would be glad if he would convey the following message from me to Mr. Bulganin. It was dated November 13, and I make it public at the present time because it was only yesterday that an answer came from Mr. Bulganin. You will hear the answer in a moment and you will see, with that kind of answer, there is no reason for me not to disclose the representations with which I had attempted to have him comply. This is dated Ottawa, November 13, 1956:

Dear Mr. Chairman:

I consider it my urgent duty to let you know that the people and the Government of Canada have been profoundly shocked by the reports we have received of the actions your Government has taken in Hungary during the last few weeks. We have made our attitude clear in the position taken by Canada in voting for the United Nations resolutions on this subject. I wish to add my plea not only for rapid compliance on the part of the Soviet Government with these resolutions, but for a display even at this late date of moderation towards the unfortunate victims of these tragic events.

I can assure you, Mr. Chairman, that I speak for the whole people of Canada in expressing our horror at the suffering of the Hungarian people as a result of their efforts to obtain the freedom to choose their own type of Government. It is not, however, my present purpose to attempt to pass judgment on the actions that have been taken but to ask you, in the name of humanity, to use your influence to alleviate the sufferings of the Hungarian people and to permit competent international agencies and organizations to help in the urgent work of distributing food and caring for the sick. In this humanitarian work the Canadian Government and people are already giving material support wherever it is within their power to do so.

The Government and people of Canada have no desire to influence the form of Government chosen by the peoples of eastern Europe. Our only aim is that they should be free to do so, and that the Governments so chosen should steer their own independent courses, respecting the equal rights of all their neighbours and bearing in mind only the needs and wishes of their own people in accordance with the principles and purposes of the United Nations Charter.

Yours sincerely,

(Sgd.) Louis S. St. Laurent.

Later I got this answer, dated November 24. This, of course, is a translation which, I am told, is an official translation.

Dear Mr. Prime Minister:

I have received your letter of November 13. The contents of your letter and also of your recent statements and of speeches of Canadian officials about situation in Hungary show that the Canadian Government seem to have one-sided, tendentious and unobjective information about developments in Hungary and about position of Soviet Union on this question.

I would like to note that revolutionary workers peasants Government of Hungary have shown in their statements that reactionary forces inside Hungary with active support of certain circles outside tried to overturn peoples' democratic regime in the country and establish a Horthy-fascist regime. The inner patriotic forces of Hungary came out in defence of peoples' democratic regime asking for help of Soviet troops stationed in Hungary under the Warsaw Treaty.

As concerning position of the Soviet Government on question of relations of Soviet Union with Hungary this has been fully set forth in "Declaration of Soviet Government on foundation for development and further strengthening of friendship and co-operation between Soviet Union and other Socialist States", published on October 31, 1956.

In your letter Mr. Prime Minister you raise the question of Soviet Government giving assistance to international organizations to make it possible for them to render assistance and help to Hungarian people in food and medicine. This question is fully within competence of Hungarian Government. As far as we know Government of the Hungarian Peoples' Republic has already positively solved this question and Hungarian Government has formally informed Secretary-General of United Nations about this.

Yours sincerely,

N.A. Bulganin.

This last statement has been, I think, verified by representatives of the United Nations, who have recently informed us that representatives of the Red Cross would now be admitted within Hungary to distribute food and medical supplies to those in need of such food and medical supplies.

That answers this other matter raised by the hon. gentleman now leading the official opposition. He says that \$200,000 was a paltry sum and that we have raised it from

\$200,000 to \$1 million. The original recommendation was for \$1 million, of which \$100,000 was to go to the Red Cross and \$100,000 to the United Nations High Commissioner for Refugees to be used in the alleviation of the sufferings of refugees once they became refugees outside of Hungary. But at that time we were not disposed to ask Parliament to appropriate any of the taxpayers' money to be placed in the hands and under the control of any communist controlled Hungarian government to be used for the support of whatever name they went by and whatever democratic qualifications they chose to give themselves. We have had some experience, but not much, in seeing how supplies from other countries have been used in communist countries as propaganda for the regime that was bringing about the misery that we and other free nations were seeking to alleviate. As soon as we heard that supplies could be distributed under proper auspices, we went back to the original sum of \$1 million. The estimate that has been distributed, and that is now before the House, is for \$1 million to be applied, subject to the decisions of Treasury Board, and that is so Treasury Board will be able to make absolutely sure that everything coming from the use of that \$800,000 -- because \$100,000 is going to the Red Cross for the use of refugees outside of Hungary and \$100,000 is going to the United Nations High Commissioner for Refugees -- will be expended either by the Red Cross or by a United Nations agency that will have our full confidence in its desire and its ability to see that the assistance goes to those who have really been the victims of the horrible crimes that have been perpetrated against that nation in the last few weeks, and to no others.

That is why the item reads:

To provide, subject to the approval of the Treasury Board, assistance to the victims of the recent tragic events in Hungary, \$1 million.

Well, I have dealt at greater length with this matter than I expected and at greater length than either the hon. gentleman who spoke before I did or I expected would be appropriate on this occasion. But since we have found that it was not agreeable to some hon. members to proceed at once to have all this discussion on the estimates where questions could be put and answers given; well, it probably has to be at this time; but whether it be now, or whether it be on the estimates. I hope it will be a decision of which the majority of the people in Canada would say that those who took part in it were able to rise above political partisanship in dealing with this question which is one of interest not only to our own free people but to the people of the whole free world.

I expect that there will be criticism as to the manner we have felt, in our lack of wisdom, to be the best way to do these things; but I hope there will be agreement that it is proper that we should discharge this obligation to the United Nations by an appropriate participation in the United Nations

forces and that it is proper that we should do our best to see that the Canadian who has been chosen by the United Nations to be the commander of that force is not let down, if we can prevent him from being let down by supplying him with what he thinks he requires and that he is not apt to get from other contributors to this United Nations force.

Mr. M. J. Coldwell (Leader of the C.C.F. Party)

Mr. Speaker, I think we are all aware that Parliament is meeting today under the shadow of a great international crisis, perhaps a greater crisis than the world has witnessed since September, 1939. The issues involved today are of such a nature that they might bring about even a third world war and therefore one is constrained to ask oneself, what does the country expect of this Parliament at the present time?

I think the people of this country expect that we should give unanimous and speedy approval to the further supplementary estimates that have been introduced this afternoon, and that this shall be done in order to meet the needs of our armed forces which are proceeding overseas and to meet the dreadful situation from which the refugees from Soviet terror in Hungary have fled.

I do not think I have ever felt more sorrowful than I felt as I watched the events following the adventure in the Suez area. There was not only the question of African and Asian opinion, there was the danger to the Commonwealth. I was relieved when I read a few days ago that Nehru had refused in the Indian Parliament to agree to a proposal that India should leave the Commonwealth. I think it would have been a tragedy if India left the Commonwealth, or if Pakistan or Ceylon withdrew.

This action has undermined the United Nations. As I have said on a number of occasions, it was with the deepest regret that I saw this action being undertaken in the manner in which it was. Certainly there was provocation, but that provocation should have been taken to the United Nations and pressed there. It is true also that the United States has some responsibility. I am not going into that at any length tonight because there is not sufficient time to do so. The changing and tortuous policies of the United States certainly contributed to what has happened in the Middle East.

It will be said that the genesis of the recent moves on the part of Britain and France was the attacks made by Israel on Egypt. As one who has been interested in following the chain of circumstances in Israel over the last several years I for one can understand the position in which that country found itself on October 29. As we know, this was the culmination of a long dispute. Israel had suffered considerable provocation, as we all know. None the less I am sorry that the action was taken because it did bring about a situation that today is causing grave concern all over the world.

There are certain constructive suggestions that I think Canada should now be endeavouring to place before the United Nations in order that the Middle Eastern situation may be cleaned up once and for all, over a period of time, of course, and peace established in that area. If there is, as we have, a cease-fire and a United Nations force there, then we should endeavour to suggest ways and means to prevent an outbreak in the future.

In the first place, we feel that the unstable conditions which led to the outbreak of fighting between Egypt and Israel are not confined to that section on the borders of Israel. The dangers of a similar outbreak occurring can be found on the frontiers with Jordan, Syria and Lebanon. We believe that some action should be taken now by the United Nations to extend police force action to those areas to provide an effective guarantee against the violation of peace there while a general settlement of the outstanding problems of the area is being arrived at. Let us not again be in the position of sending in a police force to stop the fighting after it has started.

That is the weak position in which we are today. If we had had a United Nations Police Force as was envisaged under the Charter of the United Nations, that police force could have stepped in at any time there appeared to be the possibility of war in any area. We have not that force. We are building up a force now through the Assembly instead of through the Security Council because the Security Council failed to act.

But, we believe that this police force must be followed by some comprehensive economic settlement. A settlement must provide first of all for the recognition by the Arab States, including Egypt, of the state of Israel, and for the signing of a Peace Treaty with Israel under which Israel's borders will be guaranteed. The blockade of Israel should be lifted and free passage through the Canal, when passage is restored, should be available to Israeli shipping. We feel that no solution to the Suez Canal problem can be achieved unless this is done.

We also realize that there are a good many other aspects of the economic situation in the Middle East. Egypt herself, with a population which is underfed and underprivileged, requires help in the irrigation of that area. As a matter of fact, I believe that the United Nations might consider setting up an international authority in agreement with the countries involved such as the Sudan and right down through Ethiopia, Egypt and so on, comparable to the Tennessee Valley Authority in the United States, in order to use the waters of that area for watering the desert and feeding the people of Egypt and the adjacent countryside just in the same way as I believe that, once peace is attained among Israel, Lebanon, Jordan and Syria, a similar authority might be set up to utilize the waters of the Jordan. Those of us

who have seen the waters of the Jordan and know how they could be utilized if only an agreement could be reached among the nations along the river know perfectly well that the waters could be used to bring food, prosperity and so on to the people of that general area. These are some of the things that need to be done.

Mr. Solon E. Low (Leader of the Social Credit Party)

Mr. Speaker, I consider this to be one of the most serious matters that has ever come before this Assembly. I look upon the present situation as one that is fraught with grave danger, not only to our own country but to the other countries of the world. Because of the fact that this is a most serious time, I approach the present assignment with some diffidence. I would not want anything that I say to complicate matters, either for our own country or for the United Nations in the tremendous task that faces it at the present time. Although there are many vexatious domestic problems that face our Canadian people, problems demanding early solution, yet uppermost in their minds is the Middle East problem; the rape of Hungary and the bestiality of Russia; the about-face that we have seen that country make in these last few weeks. The people in all parts of Canada expected Parliament, without delay, to get down to the business of taking action that is carefully calculated to bring peace to the Middle East, to provide the much-needed assistance to the oppressed and persecuted people of Hungary, and to do our utmost to relieve the suffering and uncertainties that have been heaped upon so many of these Hungarian patriots who have demonstrated that they love liberty more than they love life.

I contend that the eyes of the world are upon Canada today, and upon this Parliament. As the nation that took the lead in moving the resolution in the United Nations to set up an International Police Force, the actions of this Parliament are being watched with more than common interest and expectation. Under the circumstances, Mr. Speaker, it would seem to me to have been better for this Parliament to show by actions, not by millions of meaningless words, that we do indeed want fast, effective action to provide a solid foundation for peace and security in the years ahead. I think this is no time for playing politics. This is a time for statesman-like soul searching and truth seeking of the most intensive kind. In my judgment we ought to be setting party politics aside in an effort to find the maximum of common ground for swift action in the interests of our own country and of all mankind.

My colleagues and I firmly believe that the only way out of the present confused, dangerous and complicated set of circumstances is to seek earnestly for God's guidance to enable us, the Parliament of Canada, to find what is right; and then to have the courage to do it when we find it. If ever there was a time in man's knowledge when vision and understanding have to be buttressed by faith and humility,

I think that time is now. So Mr. Speaker, it is not our intention at this session to carp or to be unduly critical or to strain to find fault. We want to be critical where that is required in the interests of good government and good business, but certainly we are not going to inject party political manoeuvring into these proceedings, because this is not the time for it.

Some criticism has been levelled at the Government regarding the calling of Parliament. My own judgment is that there can be little criticism levelled at the Government on the ground of not having called Parliament earlier than it did.

There are some criticisms that can be levelled at the Government in connection with their actions to date. I think it would be unwise for us to withhold them. As I said before, it is not political criticism that I want to level. I think it is a pity that the Government did not find it possible to provide Britain and France with moral backing when they intervened in the Middle East. I said so on the very day that Britain and France intervened.

Well, this afternoon the Prime Minister said that his Government was critical of Britain and France. I am not sure he used the word "critical", but at any rate it amounted to that. It amounted to criticism of Britain, France and Israel because, he said, they had signed the Charter of the United Nations agreeing not to take the law into their own hands. I think that is true. Is it not also true that the United Nations signatories pledged themselves to speedy intervention to stop aggression wherever it raised its head? Have they done it? When there seemed to be no hope whatever that they would do so or were equipped to do so, then under the circumstances the question arose what other alternative was left to Britain and France? I think we have to keep that in our minds as we proceed.

What has the United Nations done to clear away the problems and the provocations, indeed the aggressions, in the Middle East, Mr. Speaker? I remind the members of this Assembly that the United Nations did nothing until Britain and France moved to protect their interests and to keep Israel and Egypt apart. It seemed to take a shock to move the United Nations to take any action that was worth while. I would not brand Britain and France as aggressors, as many have done.

Rather than blame those countries I believe we should seek for the fundamental causes of deterioration in the world situation, and in the Middle Eastern situation that is our immediate concern now, in the weaknesses and the frailties of the United Nations. The Prime Minister said this afternoon that he believed what was happening in the Middle East was used as a shield by Russia to cover its horrible rape of Hungary. I remind the Prime Minister that the Russian turn about from her decision to remove her troops from Hungary came only when

Western solidarity was shattered by the bitter and angry rebuke of Britain and France, first by the United States, followed by the United Nations. It was only when Russia saw that solidarity had broken down that she decided to move in and to take advantage of it. She has always done so.

The Secretary of State for External Affairs has warned us time and again that that is exactly what Russia will do, and he has appealed to us, therefore, to work for the solidarity of the Western nations in the hope that through strength we could stop Russia's advance. That is the only thing she understands. But here Canada was rebuking Britain and France, placing ourselves on the side of Russia and following a very foolish United States when she was locked in the throes of an election, when she could not do anything effective. We allowed ourselves to help the U.S. shatter Western solidarity, the very thing we ought to have been buttressing and bolstering with all our strength.

I repeat, the weaknesses and the vacillations of the United Nations have caused the free world, step by step, year after year, to retreat steadily before a completely aggressive Russian imperialism, one that will not be stopped except by a show of solid force.

Well, where do we stand with regard to the proposal of the Government of Canada to provide a unit of approximately battalion strength to the emergency police force for the Middle East? I think, Mr. Speaker, it was the only alternative that could be found to action by individual nations, and I have to give the Secretary of State for External Affairs credit for having suggested that the United Nations set up a police force for emergency action in the Middle East.

That is the attitude we have toward the police force, but there is one thing I do want to say in regard to such a force. I would warn the Government of Canada never to part with the right to commit or to withdraw such forces, according to their discretion; never to grant to the United Nations the actual sovereignty over this force, and as long as you do that you are going to have our support.

We would like to see bolder action. We do not want to see this debate extended too long. We would like to see the thing done and get the force committed when the United Nations Commander wants to have them.

So far as Mr. Nasser is concerned, I want to warn the Secretary of State for External Affairs and his colleague the Minister of National Defence, that Mr. Nasser should not be allowed to dictate the terms, not by any means. I think Mr. Hammarskjold should be stiffened up in that regard. I am just a little bit afraid, from what I have read about his negotiations thus far, that he has been a little too timorously diffident about dealing with Mr. Nasser.

If the United Nations is going to set up a police force in Egypt, then they ought to set it up and get it in there at once. They should say "This is the way it is going to be handled", and it should be stationed along the entire length of the Canal. It should stay there until the difficulties over the Canal have been settled and some international supervision has been settled that will be satisfactory to the shipping nations of the world. Until such time as a right good start has been made on a complete solution of the outstanding problems between Israel and the Arab nations in the east, I say it should not be withdrawn.

But there is one other thing, Mr. Speaker, that we should be careful about. The United Nations should be prepared to allow Britain and France to retain their forces in Egypt until such time as the United Nations Police Force has been completely established there and put in full possession of the Canal Zone. Nothing else can possibly solve the difficulty. Whether or not Mr. Nasser likes it completely, we have to remember that about all the United Nations has done thus far has been to buttress Nasser's threatening position. That is about all, and he is coming off the victor and he is beginning to feel that he is the victor. Therefore let us be mighty careful about it. I am not satisfied that 6,000 men, as has been suggested, is a large enough force. My own feeling is that it would require not less than 18,000 or 20,000 men to do the job as it ought to be done, so let us not be thinking in terms of a mere 6,000.

May I suggest that Canada as a member of the United Nations must bear some responsibility for allowing the Middle East situation to drift along as it has, with no really serious effort being made to solve the outstanding problems between Israel and the Arab countries. May I remind the House, Mr. Speaker, that in 1947 Canada went along with an insistent United States leading a half reluctant United Nations. I use the word "reluctant" for the reason that about half of them were taking a stand against the establishment of Israel under the circumstances which then existed and half of them were more or less willing to go along. It was a difficult situation, I know, but Canada went along with an insistent United States in 1947 in establishing Israel without granting the people in that area the right to self-determination. I would also remind the House that the right to self-determination is the very cornerstone upon which the principles of the United Nations are based.

When Israel was established Canada went along with it and, of course, we angered the Arab states right then and there and they determined they were going to destroy Israel. When we did go along with the establishment of Israel I say it was the responsibility of the United Nations to see the thing through, and when I say that I mean this. When trouble arose between Israel and Egypt and the other Arab nations in

1948 and the war of extermination, from the point of view of the Arabs, was visited upon Israel, the United Nations left the problems hanging straight in the air, left them dangling. Nothing whatever was done to bring to a sensible conclusion the outstanding problems and points of dispute between those nations.

There were four main points of dispute, and I think they have been mentioned here today. You will remember that in 1947 Egypt took the position that Israel should never be allowed to have a vessel pass through the Suez Canal, and they never have since that time. That was a direct violation of the international convention of 1888. Although it was not right, nothing was done about it. What did the other nations do to see that Israel had a fair chance to use the Canal? They did nothing. This situation drifted from bad to worse.

What did they do concerning the question of the armistice lines? Some of the silliest lines were drawn by the armistice commission of that day, and they have just been allowed to stand there. For instance, armistice lines were drawn that divided the city of Jerusalem into two parts in such a fashion that the Jewish University on Mount Scopus was included in Jordan. I could name a score of other very foolish things that were done in connection with armistice lines, but nothing has been done to settle these outstanding problems and they have been a source of irritation since 1947.

What has been done about finding a solution to the refugee problem? Originally approximately 700,000 or 750,000 Arabs were either thrown out of Israel or went out because of fear, or were urged to go out because of propaganda. They found themselves in refugee camps on the site of the ancient city of Jericho and in the Gaza strip. They have just been sitting there demoralized for all these years. Nothing has been done to settle these people permanently.

Finally, what has been done about the necessary economic build-up of the Arab states where the standard of living is so low? What has been done about finding a solution to the Jordan waters problem? All these problems need to be given very careful consideration, and until they are settled there can be no hope for peace in the Middle East.

It was fortunate, in my judgment, that something happened to shock the United Nations into action at the time these events occurred, because since that time we have discovered a terrific Russian build-up in the area. We know what are her long-range ideas. Russia needs oil. Russia's vast industrialization programme makes her need imperative. She wants the oil in the Middle East. The oil in Baku and other areas accessible to her is not going to be sufficient for her needs. At the same time Russia wants to weaken NATO and destroy it if possible. One of the best ways to accomplish this is to cut off the oil supply from the Middle East.

I think there is no question about that at all.

It was fortunate in the extreme that the intelligence of Israel, Great Britain and France indicated the fact of the Russian build-up; and something has happened, it seems to me, which in the long run will be of great benefit to the world.

Let me say very quickly a few words about Hungary. I think we ought to be doing everything we possibly can to relieve the suffering of those Hungarian people who have been dislocated and driven from their homes, and who are suffering for want of food and medical supplies. I think Canada should open her doors wide to these people.

This is one thing -- and I address my remarks to the attention of the Minister of Citizenship and Immigration -- that could have been handled more effectively. I think we should have sent into the areas around the borders of Hungary receiving teams that could have quickly given help to any of these refugees who found their way across the borders of Hungary. They should have been brought into this country, as the hon. member for Rosetown-Biggar mentioned, under a completely open-door policy. These people are patriots and in the eyes of the world they have given a demonstration such as few people in the world have given. We should move to their aid as quickly as we possibly can.

As has already been said, the million dollar appropriation for assistance to Hungary is a good start. I think we should be prepared to give much more when it is required.

In conclusion I would like to sum up how I view the situation at the present time and in doing so I cannot find better words than those which were used by Selwyn Lloyd. These are the words he used:

British American differences over the Middle East should not be taken too tragically.

I think that is right.

On the other hand, it would be equally wrong to minimize them and pretend that there is not a job to be done in restoring the intimacy of our alliance.

The crisis may have created a situation of great opportunity which may not recur again. A war has been rapidly stopped: an international force has been created: the Russian penetration has been unmasked. The situation can be turned to good account by the free world. Whatever may be the thought of the past let us, the United States and the countries of the Commonwealth, now press forward with firmness together and with resolution, to use that opportunity and to

preserve the gains. Thus our friendship and co-operation will once more prove the great hope of the world.

The history of Britain and France has been one of a long succession of demonstrations of sacrifice and noble ideals devoted to the achievement of justice and freedom in this world. I have not lost faith in those countries as yet, and I think we ought to be doing everything we can to bolster their determination once more to re-establish the solidarity of the free world wherever we possibly can.

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STATEMENTS AND SPEECHES

INFORMATION DIVISION
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No. 56/37

SPECIAL SESSION - 22nd PARLIAMENT

HUNGARIAN REFUGEES

Following is the text of a statement in the House of Commons by the Minister of Citizenship and Immigration, the Hon. J. W. Pickersgill, on Wednesday, November 28, 1956.

The other evening when I spoke on the address I reported to the House everything which the Government had decided to do up to that time; but this afternoon the Government had an opportunity, for tragic reasons, to give further consideration to this question, and it was decided that as almost all refugees have nothing with them, have nothing they can bring with them except the clothes they are wearing, and as many of them have little or no money, it was not reasonable to expect them to try to establish themselves in this country with a debt over their heads at the very start.

It has therefore been decided by the Government not to make the assisted passage a loan but to make it free. This policy, of course, will also apply to those who have already arrived and to those who are en route and who have given an undertaking to make repayment.

I think perhaps I should also tell Hon. Members the Government decided this afternoon, in order to be quite satisfied everything was being done that could and should be done to move as quickly as possible to Canada those Hungarian refugees who wish to come here, that it might be desirable for a member of the Government to go to Vienna to see that everything was being done that could be done. I am proposing therefore to leave on Friday afternoon, and I expect to be in Vienna on Saturday.

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UNIVERSITY OF TORONTO

No. 56/38

REVIEW OF INTERNATIONAL AFFAIRS

Statement made by the Hon. Roch Pinard
during the General Debate in the United
Nations General Assembly in New York on
December 5, 1956.

Mr. President, in the brief but turbulent history of the United Nations, there was surely never a time when we stood in more obvious need of the humane and objective viewpoint represented, if I may say so, Mr. President, by your own qualities of calm intelligence and broad understanding. The Assembly is fortunate indeed to have you as our President as we seek the rational and peaceful solutions which we must find if we are all to avoid the "universal disaster" you spoke of in your address of welcome to the new members.

I should like to add my own work of sincere welcome to our new members. We can rejoice that our organization now more faithfully represents the world as it is in all its diversity. We look forward to the early admission of those who have not yet taken their rightful place among us - notably Japan, whom we confidently expect to welcome before this session is ended - a welcome too long delayed. Nor can we be satisfied until the German people are properly represented here - and the unhappily divided nations of Korea and Vietnam. Then we hope soon to have among us new states like Ghana, the former Gold Coast, which, thanks to the energy and initiative of its people and enlightened colonial policy, are now taking their place as stable members of the world community.

This expansion of our organization does, however, present us with some new problems. There is danger that we might dissipate our energies in the confusion of voices and stagger under our own weight into anarchy. We cannot continue to act as we did when, though certainly never streamlined, we were a smaller company. We shall require enormous self-discipline if we are to meet the increasing necessity for swift, effective and above all, responsible action.

Increasingly, also, we are dividing ourselves as members of the United Nations into smaller groups. I think that this is in many respects a healthy phenomenon. It can be a partial solution to the problem of size I have just mentioned. When there is not time to hear every voice, there is a good deal to be said for choirs. Most of our groups, moreover are not hard blocs. They are flexible and they are fortunately not exclusive. It is natural and fitting that like-minded countries should work together; but it is neither natural nor fitting when a group is forced to become so superficially at least united that it automatically votes as one, on even the most unimportant procedural issues. Fortunately for the work of our organization, there is only one such bloc -- and even here there have of late been hopeful signs of a restless intelligence at work. May the rest of us refuse to move backwards, because the only result of the ossification of blocs will be that the United Nations will grind to a stagnant halt; with the veto of the single state in the Security Council replaced by the veto of the voting bloc in the Assembly ?

Perhaps some will say, Mr. President, that this is today more than ever a Great Power world - a world of the super-powers - in which the freedom of action and influence of the lesser, the non-atomic powers is circumscribed as never before. While the greatest powers have the obligation to do what they can to see that the big issues are dealt with through the United Nations, and not only when it suits them, we of the smaller powers have the no less direct imperative to make it possible, by our actions and attitudes in the United Nations, for the great powers to have no excuse for bypassing it. If we lesser powers act with discretion and a recognition of our responsibilities, we are not powerless. If we do not, if we concern ourselves only with our own national, or group, or racial interests, then the United Nations will soon cease to be a place where the bigger powers co-operate with us and with themselves for any common purpose.

At this late stage in our General Debate, Mr. President, there are only two or three topics on which I should like to comment. The Chairman of my Delegation has already outlined the position of the Canadian Government on developments in the Middle East and in Hungary.

About the Middle East I wish only to state my belief that the success or failure of the experiment which we have set in motion here may well determine whether in our lifetime the influence of the United Nations will grow or wither. Nothing remains static for long. New challenges arise in new forms; and if we cannot meet the central challenge of organizing - as the distinguished Foreign Minister of Norway put it the other day - peace with justice through the United Nations, that attempt will be made outside the United Nations and with less and less regard for the common standard to which we have all subscribed in the Charter. It is my conviction,

and that of my Government, that our best hope for attaining peace with justice is to work through the United Nations. In the long run this will be possible in practical terms to the extent that we can organize ourselves within the United Nations in order to be able to do more than pass resolutions calling for cease-fires or condemning aggressions.

Now, I would not for a moment underrate the enormous moral effect which such resolutions of the General Assembly have in mobilizing public opinion, at least in the countries where such pressures act directly upon Governments. But can we not go further? I feel that the time may be ripe for taking the next step in international cooperation to secure the peace.

The distinguished representative of Iran, whose long experience and wise judgement are respected by every member of this Assembly, pointed out to us on November 29 that the force which the United Nations has placed in Egypt is not an international army as those who framed the Charter intended the United Nations to have. Mr. Entezam went on :

"Nonetheless, the establishment of this international police force represents a great step forward and it is such as to facilitate at a later stage the organization of this international army without which, despite the moral influence of our Organization, the implementation of its decisions could never be fully assured".

The United Nations is a collectivity of fully sovereign states. We must recognize that up to the present time we have not been successful in organizing in advance a United Nations Police Force ready for action anywhere at any time. Since the Korean experience, we have tried through the Assembly to have member governments earmark units of their armed forces for United Nations police action. Although I think the Canadian Government went at least as far as any others in this respect, no Government was prepared without any qualification to place its forces at the disposal of the United Nations in advance for such a purpose.

If, for the time being, we must accept this as a fact, we need not, I think, be thrown back wholly on the moral effect of what we say here and the resolutions which we adopt. As the Middle Eastern experiment has already shown, we have the possibility of using an intermediate technique between merely passing resolutions and fighting a war. The United Nations Emergency Force is not so much a fighting force as a police contingent endowed with international authority which the United Nations has interposed between forces which have themselves accepted a cease-fire and the obligation to withdraw on the understanding that the United Nations would put its own independent forces into the area to secure and supervise the cease-fire. This experiment must succeed because we all

recognized in this Assembly that it would be much too dangerous to allow it to fail. It is our hope and expectation that no country, large or small, would withhold co-operation either in making contributions, if requested, to this International Force, or in letting it operate in its own territory, for the alternative would be to risk a local conflict developing into something more general and dangerous.

If our experiment works - and that is, of course, the first prerequisite - it may be that the United Nations might usefully consider some means of having units of armed forces of the smaller countries made available at short notice for such supervisory duties, on the call of the United Nations. The United Nations might also think of a permanent organization available to the appropriate United Nations authority to provide the necessary central machinery which would organize their contributions and put their forces effectively into operation when the need arises. I want to make it clear that I am not hinting necessarily that the present United Nations Emergency Force be made into a permanent force, although we should build upon the experience of that experiment. Shall we go back once again to the situation in which the United Nations found itself both in June 1950 and in November 1956, when everything had to be improvised, when there were no units, and no financial and administrative procedures to which the Secretary General could turn in the task given him by the Assembly of putting a United Nations force into a dangerous and delicate situation.

If the Secretary General had had such an organization available in September and ready for use in our time of emergency many of the difficulties and delays which arose might have been avoided. The Secretary General's truly amazing energy and devotion brought something together out of nothing with remarkable speed. But we have not the right, in all prudence, to expect the same miracle to be accomplished next time with the same success and speed. And next time - if there is one - we would wish to make sure that a cease-fire would be sustained and the United Nations forces would arrive in time, so that there would be no danger of a local outbreak of fighting growing into a general conflagration. That is the nub of our problem for the future. If we do not begin to think about a longer term solution of this problem, we may miss the psychological moment when national governments may perhaps be prepared, under the impact of recent events, to commit themselves to such procedures in advance for the sake of increasing the collective authority of our organization.

Even while considering how we can best organize collective security through the United Nations within the limitations of our situation, we must not neglect, Mr. President, the parallel efforts which have to be made to reach solutions of the points of most acute friction and danger. We must not imagine, needless to say, that the creation of this or any other international force will solve the acute problems we face. Such

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a force is a most useful instrument for insuring a negative kind of peace. But peace to be lasting must be positive.

As Israeli, French and United Kingdom forces are withdrawn in accordance with the General Assembly's cease-fire resolution, and as the United Nations Emergency Force is moved into the area, a momentum for peace is created which should not stop short of a political settlement of both the Palestine and Suez questions. A cease-fire is better than fighting; but it is precarious at best and must be used to begin work here and now on a political settlement which will provide an honourable and secure basis for the lasting peace of the area. This is not a settlement which can be imposed by the international force. It must be a settlement on which all interested parties agree. The Force is the instrument of the settlement, not its creator. An international force to hold the ring can be useful, and in the short term necessary; but it is no substitute for grappling with the more intractable political problems before the sense of urgency and danger has gone out of them, leaving the same old tinder exposed for the next explosion. The world, the United Nations, cannot afford another such explosion.

It might be asserted by some that in the present circumstances of increased international tension there is little point in expecting serious discussion of disarmament at this session of the General Assembly. While it is true that progress towards agreement on disarmament cannot be divorced from the international situation in general, nevertheless the need to make a start, however modest, towards disarmament grows steadily more urgent. The rate of scientific development, particularly in the field of nuclear and thermonuclear armaments, and in the means of delivering them, and the growing realization of the terrible consequences of the use of such weapons compel us all to continue the effort to agree at least on the beginnings of a disarmament programme.

Two weeks ago the USSR made public proposals on disarmament and on methods of negotiation. This move was made in sinister circumstances indeed. It came at a time when almost all governments in the world were condemning Soviet savagery in Hungary. The Soviet Government statement was followed within a few hours by the cynical announcement of a large scale nuclear explosion, and their proposals were also accompanied by boasts about the vast military might of the USSR. In such circumstances we must consider carefully how much credence we can put in the assertions of the same Soviet leaders of their peaceful intentions. As prudent men who have a responsibility to our several peoples we must make certain that our desire for peace does not expose those who have given us office to the same dark power of tyranny which stalks Eastern Europe.

Nevertheless the Canadian Government are prepared to show their faith in the United Nations by approaching these proposals of the USSR for an examination of their merits as though they had been put forward in less equivocal circumstances.

Some of the proposals are quite familiar. Indeed the general framework appears to us to be the same as recent Soviet plans. The main new element is an apparent readiness to accept the principle of aerial inspection. If this acceptance proves to be real it will represent an advance which we could regard with satisfaction. It would be the one spark of hopefulness to come from Moscow in these gloomy weeks of crisis. But although the value of aerial inspection appears to be gaining acceptance among the Soviet leaders they seemingly have yet to grasp its principal merit. It would be an advantage if the secret manoeuvres of the Red Army could no longer be executed threateningly right on the borders of the Western world. But the greatest danger to mankind lies in the massive surprise assault with all the modern apparatus of mass destruction. The Soviet proposals still would afford no means of gaining assurance that forces of destruction were not being prepared in the vast regions of the Soviet Union.

Having said this, I would repeat that we are prepared to join in the examination of the new Soviet proposals. It has always been our view that the United Nations offers the proper framework for achieving disarmament. But we have never thought that the substance of the problem could be brought nearer solution by increasing the number of the negotiators. We therefore look with scepticism on the Soviet suggestion for a conference based upon the participation of the NATO and Warsaw Pact powers. And while we in Canada would welcome any advance which might be initiated by exchanges between the great powers, we are doubtful that in the present tense situation any helpful results could be hoped for. It is no use pretending that confidence has not been severely shaken and that an improved political context has not become necessary.

Insofar as we may draw conclusions for the general terms in which the Soviet proposals are presented, we fear that these proposals, like too many of their predecessors, may be aimed simply at the weakening of the non-communist world, particularly by the disruption of NATO, and at continuing the division of Germany and of all Europe. We shall continue to hope, however, that there is some more constructive approach to the problem of Germany and of Europe involved. On the crucial question of control the proposals give no sign of readiness to clarify the Soviet attitude, which has never come from behind its veil of obscurity. Nor do they reflect the difficulties, which the Russians acknowledge to exist, of detecting concealed stockpiles of nuclear weapons. Nevertheless, we will study these Soviet proposals with great care. We will never refuse any opportunity to seek after even the germ of an agreement on disarmament.

My Delegation was much impressed, as I am sure others were, by the suggestion of the distinguished Foreign Minister of Norway last week, that there should be some kind of United Nations registration of nuclear test explosions. In my opinion, it is neither necessary nor realistic to contemplate an immediate ban on all such tests. That is our conclusion after weighing the best scientific evidence which we have. But the scientists are the first ones to admit that their evidence is by no means complete or conclusive. They are somewhat reassuring about the present level of radiation in our atmosphere but while the averages appear to be comforting, an overdose in one small locality might occur. Therefore, while we can take limited comfort from the absence of alarming conclusions - or indeed any conclusions - in the interim report of the United Nations Scientific Committee on Effects of Atomic Radiation, it does not seem to me that we would be justified in looking into the future with equanimity. My view is the United Nations should give close attention to the question of nuclear tests and I can assure you that we will support the Norwegian proposal for early and serious consideration of the whole matter.

It seems to me that any agreement on nuclear tests is likely to be in the nature of a compromise. We must be guided by two considerations : we must try to meet whatever may be competently estimated as the requirements of the objective scientific situation and we must enable the needs of defence in a dangerously divided world to be given reasonable satisfaction. Because both of these are indefinite quantities there can for the present time be no facile and final solution, and I do not think we can hope to find a satisfactory arrangement, even of a temporary character, which fails to take into account either consideration. So long as the nuclear powers continue to conduct tests at their own discretion there will be widespread agitation to change the situation, but so long as the proposed solutions exaggerate the importance of one of these two factors and wholly neglect the other they are unlikely to provide an acceptable basis for negotiation.

If we consider what we may hope to achieve in present circumstances, I think we may all conclude that we should try to help the nuclear powers in the first instance to agree that they should set, as a self-denying ordinance, some annual or other periodic limit on the volume of radiation to be generated by test explosions. There would have to be some agreed method of allocating quantities between the powers concerned. To maintain confidence there would also have to be some arrangements for notification of the proposed tests and for their verification - and this need not in my view give rise to insuperable difficulties. A system along these lines might serve for the near future during which it might be reviewed from time to time in the light of the data on radiation hazards which the UN Scientific Committee will be gathering. It would be my hope that in due course this interim measure would be supplanted by a disarmament agreement which would deal in a more definitive way with nuclear weapons as well as other aspects of disarmament.

.../

Mr. President, although our efforts these past few weeks have necessarily been directed toward a search for lasting solutions to the critical political issues which beset the international community, we must not permit our preoccupation with these problems to divert our attention from the need for increasing cooperation in pursuit of the economic and other objectives of the Charter. It has been suggested that the political problems with which we are confronted are so serious that useful initiatives in other fields should not be attempted. However, it is the belief of my Delegation that, as the members of the international community demonstrate their ability and willingness to cooperate in finding constructive solutions in the political field, so our capacity and our responsibility for finding better and more dynamic methods for strengthening the international economic fabric are enhanced.

I believe also that we should consider the best methods for assisting the countries of the Middle East to restore their normal economic life following the present crisis and to make plans for continuing economic progress and growth. The United Nations should ensure that any political settlements in the Middle East crisis take account of the need for solution of the pressing economic problems of that area.

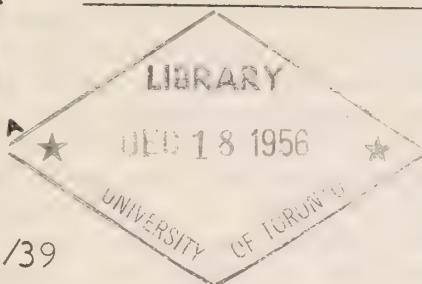
I believe also that the United Nations should continue to improve and strengthen the programmes which have been initiated to assist the economic development of the underdeveloped countries. To this end, my Delegation will propose in the Second Committee that the United Nations undertake a study of existing programmes of bilateral and multilateral economic aid in the expectation that such a study will result in better understanding of the scope and nature of the problems still to be resolved. This suggestion will be designed to promote, through an exchange of information, coordination of the economic aid programmes which are now being conducted under the United Nations' umbrella or outside it. A better understanding of the scope of existing programmes and of the experience acquired in implementing them would undoubtedly pave the way to more informed and realistic consideration of SUNFED and other programmes which will be under consideration.

In conclusion, may I say that although we may find this session somewhat frightening and discouraging, it has nevertheless accomplished useful work. Our concrete realizations as yet are few, but we do see the hope of progress which could change for the better the great experiment of this Assembly in international cooperation. We have all learned a great deal in the past few weeks, and the experience should make us wiser in the future.



STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA



No. 56/39

Special Session-22nd Parliament

Excerpts from a speech by the Secretary of State for External Affairs, Mr. L.B. Pearson, in the House of Commons November 29, 1956.

...During the earlier discussion of this subject I was asked to enlighten the House in respect to several matters. One matter was the reason we had not previously taken action in regard to a United Nations police force in this particular area. Another was -- and this has been brought up again by the hon. member for Greenwood -- the relationship of our action to Commonwealth unity...

The hon. member for Prince Albert asked particularly for enlightenment, as he put it, in regard to our previous attitude toward a United Nations emergency force for this particular area. I think he is satisfied with what I said earlier about our general attitude toward putting forces under the United Nations for general purposes and the difficulty of doing that under the Security Council organization as it is at present. I am sorry he is not able to be here this afternoon to decide whether or not what I am going to say about this matter is enlightenment. I would point out, and I have made a pretty careful survey of our record in this regard, that it was as early as 1953 that we discussed, with representatives of the United Kingdom Government in the course of our diplomatic exchange of views, the possibility of replacing the truce supervisory organization in the Palestine area with a police force which would have greater powers, and greater authority, and be able to do things which the truce organization could not possibly do, thereby making the situation easier and making war more difficult.

At that time, in 1953, the matter also came up, though not in public discussion, at the General Assembly of the United Nations. We had previous discussions with the British and took the matter up with the Secretary-General, who had himself been considering it. We were told at that time that in his opinion it would not be a desirable move to make publicly at the United Nations General Assembly.

That was in 1953. Then later, in 1955, when I happened to be in Cairo, I discussed this question with General Burns who came over from Jerusalem to see me, and we went over the question of the advisability of making a proposal at the next Assembly -- that would have been the Assembly we are at now -- for a United Nations force to patrol the boundary not only between Egypt and Israel, but between Jordan and Syria and Lebanon and Israel. On my return to Ottawa we brought this question up again when Sir Anthony Eden and Mr. Selwyn Lloyd visited us here, I think in January, 1956. We also took the question up in Paris with the French Government. At that time the Governments which I have mentioned, the British Government and the French Government, did not feel that this was a practicable proposition.

One reason they did not feel that way was that they themselves had been discussing it with the United States and the United States was hesitant about the wisdom at that time of trying to introduce a police force on the borders, with a demilitarized zone. Behind all this hesitation and objection, if you like, was the fact that ... neither the Government of Israel nor the Government of any one of the Arab states was in favour of that kind of force. I can assure the Committee we have received arguments from the Government of Israel, which indicate why they did not favour that kind of force.

What it was thought might be done at that time was to increase the truce observation organization. That was done, and Canada did send additional officers to it. It was with that background that the discussion was introduced in the House here last January or February -- I forget the exact date -- by the hon. member for Prince Albert, and it was with that background that I expressed some hesitation as to whether it was a wise move to make at that time. But I did mention the matter again in the Committee on External Affairs ... on April 17, 1956:

"The idea of an international force for Palestine -- which a few weeks ago got a good deal of attention--"

I was referring to the debate in the House.

"-- does not appear now to be regarded on either side, the Jewish side or the Arab side, or by the others most concerned--"

I meant the United Kingdom, the United States and the French Governments,

"--as practicable".

That was my statement to the Committee, and no reference was made by any member of the Committee to that matter subsequently. Therefore I assumed that they accepted that statement of the impracticability of this move at that time.

As I think I said on another occasion, what the three countries most concerned, the United Kingdom, the United States and France, apart from Israel and the Arab states, desired to do was to use the tripartite agreement for the purpose of preventing an outbreak in that area. And it is one of the unhappy aspects of this tragedy that this agreement fell by the wayside in the events of last summer.

So much, then, for the origin of the idea of the United Nations force. There was an occasion, however, a few weeks ago, when a resolution of this kind, under the circumstances which then existed, could be taken up and made effective by the United Nations Assembly, and that was done. But I would point out to my hon. friends opposite who have all, I think, without exception expressed themselves as being in favour of the idea of a United Nations force and even felt that it should have been in existence long before this crisis, that if the Canadian Delegation had taken the action at the first meeting of the United Nations Special Assembly which some of them have suggested we should have taken, to support the United Kingdom and France in their efforts to prevent the consideration of this question at the United Nations Assembly in that action, and if that support and that of other members of the Assembly had been effective, there could have been no consideration of any United Nations force at this time, or possibly at any other time in the future.

I think that is a valid point to make, because when the Canadian Delegation voted against the United Kingdom and France on that first measure before the Assembly I was charged by some hon. members opposite as lining up with Russia and the United States. But if we had not defeated that move we would never have been able to introduce a resolution for a United Nations force, and when that resolution was first introduced it got--

Mr. Brooks: Did not Great Britain and France ask for a United Nations force?

Mr. Pearson: Well, I shall try to explain that. What I am talking about now is the first session of the Special Assembly of the United Nations after everything had collapsed in the Security Council. When that Assembly met the first item before it was the putting of this Middle Eastern question from the Security Council on the agenda of the Assembly. If it had not been put on the agenda we could not have discussed the question at all, and the Special Assembly would have dissolved and there would have been no opportunity to bring up the United Nations force proposal at that time. The United Kingdom and France, for reasons which they thought were quite good, did attempt to keep this matter off the agenda. A few days later, when the proposal was made for a United Nations force, it got a very large vote and no member of the Assembly voted against it. But the United Kingdom and France again -- and I am not criticizing, because they felt this to be the proper course for them to follow -- abstained with regard to the proposal for a

United Nations force which they have subsequently found, I think, to be very helpful to them in the solution of the difficulties we are all in now. That abstention on their part, from their point of view, was a perfectly reasonable one, just as abstention on our part under certain circumstances seems to us also to be perfectly reasonable.

The hon. member for St. Paul's and others have asked me a good many questions about the functions of this force, how it is going to operate, what is the chain of command, and what is the relationship of this force to the government of the country in which it is operating. It is not easy to answer all these questions at the present time because the organization, the function and the principles under which the force is to operate, its relationship not only to the government of the country in which it is operating but to the governments which have sent troops to the force -- all these things we are now trying to work out. I assure my hon. friend that that work is certainly not completed. The force is operating under the resolution to which I referred earlier, which is now in effect and which authorizes it to secure and supervise the cessation of hostilities in accordance with all the terms of a previous resolution, the resolution which was passed two or three days before, and which in general does lay down the functions of the force.

Those functions under that earlier resolution were to bring about a cease-fire, and that has been done; to bring about the withdrawal of forces behind the armistice line; to desist from raids across the armistice line into neighbouring territory; to observe scrupulously the provisions of the armistice agreement, and to take steps to re-open the Suez Canal and to restore and secure freedom of navigation.

The Assembly has ordered all these things to be done, and the force itself is to police the doing of them. In line with certain principles and functions which have been approved by the Assembly and which are put out in detail in a United Nations document which has been tabled (A-3302 of November 6) this is the final report of the Secretary-General on the plans for this emergency force, and especially paragraphs 6 to 12 which outline his idea of how it should function.

Now, it is of cardinal importance that in this functioning the force should be under United Nations control and not under the control or dictation of any one member of the United Nations, including Egypt. I tried to make it as clear as I could the other day, and I have tried to make it clear at the United Nations General Assembly, that we would not accept any other interpretation of the functions, the tasks and the duties of this force.

I know that in this debate some very hard and harsh words have been used against the dictator of Egypt, and I certainly am not here to defend him. But I think it is also well to remember there is a relationship between this force

and the Arab peoples, and we certainly do not want to divide ourselves completely from the Arab peoples in these matters. Therefore we have to recognize, I think, that those peoples, especially the people in Egypt as represented for better or for worse by their Government, do have a special relationship with a force which is operating in their territory. I can assure the Committee again, however, if assurance is needed, that we would not accept any principle of action at the United Nations, or participate for long in any force, if that force is in danger of being controlled and dominated by the leader of the Government of Egypt. That has already come up in the advisory committee of seven and it will come up again. I can give the Committee an assurance that that is the stand we will take, and I am quite sure we will have the support of practically all the members of the Committee in that stand and the support of the Secretary-General himself.

I have listened in previous discussions, Mr. Chairman, to a good many statements to the effect that the action of the United Kingdom and France has saved the world from Russian domination and control of the Middle East. Well, I am not going to go into that at this time, but there is another side to this question. We should also ask ourselves in considering all sides of the question whether the action that has been taken has weakened or strengthened the position of the U.S.S.R. in this area by giving the U.S.S.R. a special relationship to Egypt and to the Arab and Asian states, which has been illustrated by some of the alignments in the United Nations at this time. I do not for one minute criticize the motives of the Governments of the United Kingdom and France in intervening in Egypt at this time. I may have thought their intervention was not wise, but I do not criticize their purposes.

It has been suggested, and this is one of the questions that was asked me in the previous debate, whether by our own actions in not aligning ourselves on all occasions at the United Nations with the United Kingdom and France we had not contributed to the weakening and division of the Commonwealth and the weakening and division of the Western Coalition.

Mr. Chairman, I have just one thing to say about that. That division within the Commonwealth resulting from the British action would have occurred whether or not we had voted on every occasion with the British Delegation down there. We did not create the division. It certainly would have existed between the Asian members of the Commonwealth and the other members whether or not we had lined up with those other members, and I think we have to be very careful when we talk about the unity of the Commonwealth and co-operation within the Commonwealth -- and it is something we should not only talk about but should do what we can to bring about -- never to forget there are three Asian members of that Commonwealth. However, our efforts to bring them into closer association with the Commonwealth and to keep them there surely should not mean that even within this association we have not got a very special relationship

of intimacy and friendship with the old members of the Commonwealth including above all our mother country in the Commonwealth, the United Kingdom.

All I am trying to point out now is that our actions at the United Nations, criticize them if you like, did not bring about a division in the Commonwealth. Indeed I am compelled to say that our actions and the attitude we adopted did help and are still helping to heal the divisions which are within the Commonwealth at this time. If we had not taken the position we did take on these matters at the United Nations we would not have been in the position where we could have performed what I think to be a constructive role by bringing not only the members of the Commonwealth closer together again, but, and this in some respects under the present circumstances is even more important, by bringing the United States, the British and the French closer together again.

No Canadian at the United Nations who has to get up and declare the policy of his government can feel anything but an agonizing regret when he finds himself on the other side of an issue from the representative of the United Kingdom. Over the years since we have had to take charge of our own foreign affairs we have had ample reason to respect and be grateful for the wisdom and experience of the United Kingdom at international conferences and in international matters, and over the years we have nearly always found ourselves in substantial agreement with the United Kingdom. At times we have been in agreement with the United Kingdom but not in agreement with the United States, but on this occasion in some of these measures before the United Nations and indeed in respect of the original cause of this meeting of the United Nations we could not support 100 per cent the actions of the United Kingdom and France.

Believe me, Mr. Chairman, that does not mean we are weakening in any respect in our feeling of admiration, respect and affection for the mother country of the Commonwealth. It was in that spirit, even when we disagreed at the United Nations, that we tried to be as helpful and constructive as possible, and to bring about a situation where disagreement would not be necessary in the future; I think, Mr. Chairman, that has happened. I am optimistic enough to believe that in so far as co-operation within the Commonwealth and co-operation within the Western Coalition is concerned we have gone through the hardest of our experiences in the last two or three weeks, that the situation is changing and that we will come closer together again. The speech made this afternoon in the House of Commons in London by the Foreign Secretary of the Government of the United Kingdom gives some indication, I believe, that this is true. We must all devoutly hope, and I am sure all hon. members of this House do hope, that it will be true. If there is anything any of us can do to bring about this work of restoration and reinvigoration within the Commonwealth and within the Western Coalition all of us, I know, will be very proud indeed to do it.

The hon. member for Prince Albert said this morning when he made the interesting proposal that there should be a high level conference in Quebec to pursue this objective that Canada was in an enviable position in these matters, and that because of that position we have special privileges and special responsibilities.

I agree that we have in many respects an enviable position, but it is also a position of some responsibility. If it is enviable I venture to suggest that our actions at the United Nations in the last three weeks have not made it less enviable.

Leaving these controversial aspects of the question aside for the moment, I know I am speaking for every hon. member in the House when I say we can now look forward to the time when there will be a closer and more intimate relationship in the Commonwealth, which includes three great nations of Asia, and in a Western Coalition which must have as its core the closest kind of co-operation and intimacy among the United States, the United Kingdom and France. That is the job for us to do from now on, and I hope we will all be able to pursue it so that we will bring about a better state of affairs in the world than we have been experiencing in these last months.

Mr. Hansell: ... On page 64 of Hansard of November 27 he is reported as having said:

"Twenty-three nations have offered contributions to that force and eight of them including Canada, have seen their contributions embodied in the formations on the spot which are now working together under the United Nations blue flag of peace."

Could the Minister enumerate the 23 nations and also indicate who the 8 are so that we can be brought up to date? I am interested in knowing how many of what are usually called the Russian satellite states are interested in this force.

Mr. Pearson: The following eight countries have offered contributions which are now embodied in the United Nations Emergency Force in one form or another: Canada, Colombia, Denmark, Finland, India, Norway, Sweden and Yugoslavia.

There are 15 countries which have offered contributions which have not yet been taken up though they have not been rejected. If hon. members will follow this list carefully they will realize that the Secretary-General has a delicate and difficult task in bringing about what he called a balanced composition in the force. This may help to understand the delicacy of his relationship to the Government of Egypt. In connection with the composition of this force, he is the man who with the advice of the Advisory Council and in the last analysis the full Assembly determines the composition. He is

trying to bring that about in a way which will secure the maximum co-operation from the government of the country in which the force is operating. The following are the countries which have not yet been asked by him to send forward contingents to this force: Afghanistan, Brazil, Burma, Ceylon, Chile, Czechoslovakia, Ecuador, Ethiopia, Indonesia, Iran, New Zealand, Pakistan, Peru, the Philippines and Roumania.

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OTTAWA - CANADA

No. 56/40 "JAPAN -- OUR NEIGHBOUR ON THE PACIFIC"

An Address by the Rt. Hon. C.D. Howe, P.C., M.P.
Minister of Trade and Commerce to The Women's
Canadian Club, Montreal, December 3, 1956.

Madame President and ladies, I thank you for your invitation to speak to you today. Yours is the first invitation I have ever received to speak to a non-political group of ladies, so this occasion is something of a milestone in my more than 21 years in public life.

I believe that the Department of Trade and Commerce is the most interesting portfolio for its Minister in the government. The Department has various responsibilities, but perhaps its principal one is to develop trade relations with other countries. For this purpose, we have a staff of more than 100 Trade Commissioners, one or more of whom are located in every country in the world. Through this staff, the Department keeps in touch with trade possibilities in every country, and is constantly seeking outlets for commodities that are surplus to our own requirements. Of these surpluses, the most difficult to dispose of are wheat and barley, although we must also keep open markets for our lumber and newsprint, our metals, our fish, and certain of our manufactured goods. We must be familiar with changes in the commercial outlook of each country, and be ready to take advantage of any change favourable to Canada. At the same time, we must be ready to find alternative markets where changes are less favourable.

For some years, I have been greatly interested in the Japanese situation. Since the war ended, Canada has followed a steady policy of promoting good relations with Japan. Japan is an island country, with a present population of 90 million people, which has increased by more than the population of Canada in the period I refer to. Every arable square inch of the country is being cultivated, and yet Japan now must import 40 per cent of its foodstuffs. That in itself is a matter of great interest to Canada, with its surpluses of wheat and barley. The fact that Canada and Japan are neighbours across the Pacific indicates trade possibilities that must deserve our careful attention.

Before the Second World War, trade between Canada and Japan was small and relatively unimportant. There was very little

we produced in Canada of interest to the people and industry of Japan. On the other hand, the Canadian market did not represent much of an outlet for Japanese merchandise. Even more important, perhaps, there was a prejudice amongst Canadians against Japanese produce, which was not always of the best quality and against Japanese trading practices, which were sometimes rather doubtful.

Before the last war, the fact that Canada and Japan were both washed by the Pacific meant very little. We were thousands of miles apart and distance was a tremendous barrier to intercourse. The other day, I left Vancouver at dinner time and arrived in Tokyo seventeen hours later. It will not be long before the Pacific can be crossed in much less time than seventeen hours. However, shrinkage in distance, brought about by the air age, is not the only reason why Japan and Canada should cultivate closer relations. The two countries, in fact, are becoming more and more dependent upon each other.

At the end of the second war, Japan suddenly emerged as a major market for Canadian produce. The question then arose -- was this a temporary situation, or did it hold promise of permanence and growth?

The Canadian Government considered the position carefully and came to the conclusion that if Japan could find sufficient export markets, she would probably continue to be a most important market for Canadian produce.

The next question, of course, was whether Japan should be offered an opportunity of selling her goods in Canada on equal terms with other countries. Canada had been applying higher tariffs against Japanese goods than, for example, against United States or German goods. Could the tariff against Japanese goods safely be lowered to the most-favoured-nation rate?

Because of the pre-war prejudice against Japanese goods and Japanese trading practices, this question received prolonged study. Finally the Government decided to offer a most-favoured-nation agreement to Japan, subject to certain safeguards. After the usual bargaining and negotiation, mutually acceptable terms were agreed upon and signature took place in January 1954.

The essence of this Agreement is that both countries accord to the other treatment not less favourable than is accorded to any other country. That is the meaning, of course, of a most-favoured-nation agreement. Specifically, Canada brought her tariffs against Japanese goods down to the same level as against other non-Commonwealth countries. As you probably know, in all trade agreements Canada makes an exception of the Commonwealth preferential tariffs which on some goods are lower than non-Commonwealth rates.

In return, Japan bound herself to give the same kind of treatment to Canadian goods. But in this connection a serious

problem arose. In order to conserve dollars, Japan applies restrictions against imports from Canada, the United States and other hard currency countries. Canada, on the other hand, has no such restrictions on trade with any country.

The Canadian Government therefore insisted on two additional undertakings by Japan. The first was an undertaking that there would be no discrimination against Canada in favour of any other dollar country. The second was that there would be no discrimination whatever for any reason against major commodities exported by Canada to Japan -- wheat, barley, flaxseed, wood pulp and so forth.

In other words, if Canada is able to offer these commodities of the right quality at the best price, Canada gets the business.

The other important safeguard is a provision which gives Canada the right to raise the value of Japanese goods for tariff purposes if these goods are offered at such low prices and in such large quantities as to threaten Canadian industry.

I think you will agree that this was a good agreement from Canada's point of view. It gave Japan an opportunity of increasing her export earnings at a time when Japan needed encouragement of this kind. At the same time, the agreement included reasonable safeguards in case there were serious adverse developments in trade. I believe, too, that it was a good agreement from the Japanese point of view. The agreement with Canada paved the way for other trade agreements and the safeguards which Canada insisted upon were equally advantageous to Japan.

Japan can only benefit from buying in the cheapest and best market, particularly foodstuffs and raw materials of the kind supplied by Canada. Japan can only benefit from offering her goods in Canada at reasonable prices and avoiding dumping.

This Trade Agreement was signed in 1954. In the previous year, Canada had exported to Japan produce valued at \$119 million and had imported from Japan produce valued at \$14 million, a ratio of 1 to 12. In 1956, our exports to Japan will be about the same as in 1953, and our imports from Japan in excess of \$50 million.

So I think our trade agreement has, so far, worked out very satisfactorily. We have retained our market in Japan. In fact, Japan is now our third largest market, ranking next after the United States and the United Kingdom. On the other hand Japan has enlarged her market in Canada four times in less than three years, bringing about a more tolerable balance in trade between the two countries.

I went to Japan on October 21st, at the invitation of the Japanese Government. This invitation had been extended to me on several occasions, but until this fall I felt that I could not leave Canada for an extended period. It had also been borne

in upon me that the time had come for a representative Canadian to visit Japan, to return the visits of Japanese public men, and to meet business men who were buying Canadian goods, and who were selling Japanese goods to Canada.

I went, you might say, as an Ambassador of good will. But I also wished to take advantage of the opportunity to give some advice to Japanese manufacturers and merchants about how and what to sell in Canada, and to see if I could give a boost to Canadian exports to Japan.

I had expected to be welcomed with customary Japanese courtesy. What happened far exceeded my expectations. I can only conclude that the Japanese people are genuinely interested in Canadians and that the Japanese Government wished to show me that they valued very highly, indeed the friendship and support of Canada.

I was told how grateful the Japanese Government and people were for Canada's willingness to conclude a most-favoured-nation agreement with them. I was told how grateful they were for Canada's support for Japanese membership in the General Agreement on Tariffs and Trade and the Colombo Plan. Most of all, I think they appreciated the efforts which Canada made to get Japan into the United Nations, efforts which unfortunately were frustrated by Russia. When I left the airport in Tokyo, the Foreign Minister's last words to me were about the Middle East crisis, and about the confidence that the Japanese Government placed in Canada and in our Secretary of State for External Affairs, Mr. Pearson.

Even more tangible were the assurances that Japan would continue to be a big market for Canadian produce, and that we could look forward to a steady development of our sales to that country.

I shall not attempt to give a travelogue of my sixteen days in Japan, but let me try to give you a few impressions. Before I left Canada, I was asked to approve the itinerary. To me it looked impossible to see so much, and to travel so far, in sixteen days, but since the Japanese authorities thought that it was possible, I agreed, although with some misgivings.

Impossible it might be to see so much and to do so much in any other country, but in Japan when it comes to organization, apparently nothing is impossible. We adhered strictly to that itinerary, except that we managed to fit in a number of additional visits, and we were never late by five minutes for any appointment. At the same time there was no rush. We always seemed to have time for a cup of tea.

The Japanese Foreign Office did a masterly job. Automobiles were always on hand to pick us up. As if by magic, seats appeared on crowded trains, vacated by Japanese who must have been holding them for our party. The same thing happened in theatres. At every railway station, the station master appeared

to greet us and took us to his quarters for a cup of tea. Our hotels were decorated with Canadian flags. Special menus were printed in our honour.

The efficiency shown in the organization of our visit was apparent in the industries we visited. Before the war, Japan was an important industrial nation, but it suffered a great setback as a result of war damage and dislocation and post-war developments. In some industries, such as steel, Japan has still a long way to go before it is back at pre-war levels. But the steel plant we visited, which was typical of the industry, was modern and efficient. I saw a shipyard with enormous ships on the ways, destined for countries the world over, including Canada. I visited a textile mill, as modern as any in Europe or the United States. I visited a plant producing cameras, so highly regarded throughout the world that it could not keep up with the demand. I visited a bakery, where the bread was never touched by hand from the time the flour--made almost entirely from Canadian wheat--was put into the dough mixers until the bread was loaded onto the delivery wagons, sliced and wrapped.

I saw, too, some of the beauty of Japan. The rice crop was being harvested when we were there, the farmers with their families carefully cutting and tying up the rice to dry. Every square foot of arable land is cultivated. In the mountains, the maples were turning colour, and I was reminded of the autumn scenes in the Laurentian and the Gatineau Hills of Quebec. I saw Mount Fuji Yama standing up above the surrounding mountains like an inverted fan. Outside the cities, Japan is a very beautiful country, and we saw it to best advantage in those two weeks at the end of October and beginning of November, when the weather is neither too warm nor too cold.

The natural beauty of Japan is reflected in her art and culture. This is a field in which I have no claim to knowledge or taste. It is impossible, however, to be in Japan for even sixteen days without coming under the spell of the ancient customs, arts and crafts of this talented people. Fortunately, we were able to spend a number of days away from Tokyo in industrial cities, such as Yokahama, Osaka, and Kobe, and in the ancient capitals of Nara and Kyoto. These last mentioned cities, which contain so many magnificent temples and shrines, were mercifully spared from the bombing which devastated the industrial centres.

I had the great privilege of visiting Nikko, some miles north of Tokyo, in the company of Prince Tokugawa, one of whose ancestors built its magnificent shrine centuries ago when he ruled Japan as Shogun. Prince Tokugawa, you may recall, was Japan's first Minister to Canada back in the late 1920's.

I had the privilege of meeting the Emperor, the Prime Minister and a number of Ministers of the Japanese Government. When I arrived in Tokyo, the Prime Minister was negotiating a

peace treaty in Russia, but immediately on his return he invited me to dine with his wife and himself at a hotel in the country, where he was resting from his trip. I was able to accept his invitation and had a very interesting talk with him and some of his colleagues on that occasion. You will of course understand that nearly all my talks in Japan were conducted through an interpreter.

I was greatly impressed by living conditions in Japan. The homes are of light frame construction, which would be totally unsuitable for our climate, but suits Japan. The rooms are sparsely furnished, since the Japanese people prefer the floor to a chair. The floors are covered with straw matting and no one would think of entering his or any one else's house before first removing his shoes. While there, I got so used to removing my shoes that it became automatic with me. Cleanliness seemed to be a cardinal principle in Japanese life. Washing, either with a steaming cloth which is served you on all occasions, or at the washing facilities located outside each home, is a frequent ritual. The only difference one could detect in the homes of well-off people and poor people was the size and number of rooms. Otherwise, the houses seem to be more or less standard for everyone.

Another feature that impressed me was the interest of the Japanese people in their children. There were swarms of children everywhere, usually in charge of a teacher or a parent. The children were invariably well-dressed, even though the parents were less so.

The women of Japan have recently been given the vote. Although the women work with the men in the fields, their position seems to be in no way inferior to that of the men. Western dress for women has been gaining ground in recent years, and on the city streets you see about half Japanese costume and half Western dress. Personally, I preferred the appearance of Japanese dress.

A country like this, with its dense population and its limited area, is, in many respects, the natural trading partner of Canada with our small population and large area. Japan must trade to live. It must import most of its raw materials and a large proportion of its food, and to pay for these essential requirements it must export manufactured goods. Canada, too, must trade to live. But, as you know, Canada finds it economical to produce large surpluses of raw materials and foodstuffs with which to pay for the large quantities of imported produce and manufactured goods.

This natural trading relationship has existed for many years, but since the end of the war a number of factors have worked together to increase trade between Canada and Japan. The most important of these is the emergence of Japan as an important wheat-eating country. In part, this is a result of the U.S.

occupation but, in addition, the consumption of wheat is being encouraged by the Japanese Government. When I was in Japan, I learned, for example, that every day a sandwich lunch is served to 7 $\frac{1}{2}$ million Japanese school children at a nominal charge.

I am glad to say that the Japanese prefer Canadian wheat for bread-making purposes. When I was in Japan, I ate excellent bread made almost wholly of flour milled from Canadian wheat. Last year, Japan was Canada's third largest customer for wheat. 99 cargoes of wheat were loaded at Canadian Pacific Coast ports for Japan. Some day Japan may well become our largest market for wheat.

We are also selling Japan substantial quantities of wood pulp for the making of synthetic fibres, iron ore, metals, lumber and a wide variety of other raw materials.

As I said at the outset of these remarks, Japanese exports to Canada have been rising rapidly, and the wide gap in our trade balance is being eliminated. When I was in Japan, I gave some advice to Japanese manufacturers and exporters selling to Canada. I pointed out to them that Canada is the largest import market in the world for manufactured goods, and therefore presents a great opportunity for Japanese manufacturers and merchants. I emphasized three points, however:

1. Canada is a quality market;
2. Canada is a highly competitive market;
3. Canada is a sensitive market.

For all these reasons I advised the use of care and restraint. In particular, I advised against flooding the Canadian market with merchandise of a kind being produced in Canada, such as textiles. I believe that this advice fell on receptive ears. In fact, there has been little to complain about in Japanese selling practices in Canada, and I am sure that Japanese manufacturers and exporters are anxious not to spoil their growing Canadian outlet.

This visit to Japan was a memorable experience for me, and I hope and believe that it helped to promote better understanding between Canada and Japan.

To conclude, let me refer to two incidents during the trip that to me had more than ordinary significance. One was the visit we made to the Canadian Academy, a school founded many years ago by Canadian missionaries and recently reopened. It is recognized to be one of the finest schools in Japan, and children of all nationalities are to be found among its students. It was remarkable to me that such a school, located in the centre of Japan, should have been founded by Canadians and maintained essentially as a Canadian school, following the Ontario school curriculum. Can one imagine a more important centre of Canadian influence and prestige? May I add in passing that, although it is highly regarded in Japan, Canadians have well nigh forgotten

the existence of the Canadian Academy and provide practically nothing by way of financial support, which it badly needs.

The other incident was the visit we paid, just a few hours before leaving Japan, and on very short notice, to the Kabuki Theatre in Tokyo. The entrance was decorated with Canadian flags. The manager took us back stage to meet the cast, and as we entered the theatre to take our seats the strains of "O Canada" burst forth. The audience rose and applauded. It was a friendly gesture of the kind we had grown accustomed to, but it left a deep impression on our minds of the high regard which the Japanese people have for Canadians.

I returned from my visit to Japan more than ever convinced that our policy of cultivating good relations with Japan and of promoting trade between our two countries is the right policy and will pay rich dividends in both political and economic terms. I brought back an appreciation of the beauty of the country and a high opinion of the energy with which the people are working to restore Japan's shattered economy. I recommend it as a country well worth visiting, and one full of interest for Canadians.

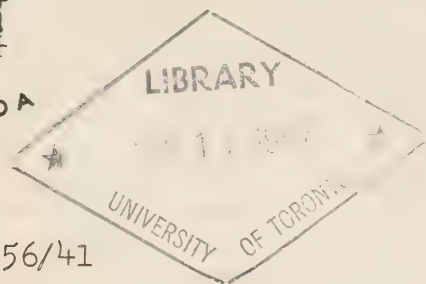
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CANADA

STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA



No. 56/41

U.S.S.R. AND HUNGARY

Statement by the Hon. Roch Pinard at the
General Assembly of the United Nations on
Monday, December 10, 1956.

Mr. President,

I had not intended to intervene in the present debate on the resolution before us, but in view of the strong revulsion of feeling in my country against the events in Hungary, I do not find it possible to pass over in silence the fact that eight years after the adoption of the Universal Declaration of Human Rights by this Assembly, the U.S.S.R. is flagrantly ignoring its provisions in its action in Hungary.

I do not see how we cannot but be impressed by the almost unanimous striving by the Hungarian youth, after a decade of communist indoctrination, for national freedom and independence-- a feeling, incidently, which does not seem to be confined to Hungary, but appears to be present in the other countries of the Soviet Bloc, and in the U.S.S.R. as well, it is an extraordinary manifestation of the indestructibility of the human spirit that a totalitarian educational system has not been able to kill this striving. It is easy enough for us here to commend the youth of these countries, and to pay lip-service to them while young Hungarians are shedding their blood for their country. I would hope rather that on Human Rights Day we might take some spiritual encouragement from their example.

In this connection, Mr. President, I should like to point out that the entire teaching staff and student body of a Hungarian school of forestry has asked for asylum in Canada, and is being adopted by the University of British Columbia in my own country. In addition, 250 students from the University of Sopron and many other students wish to move en masse to Canada. Some, indeed, have already arrived there and have described tragically how the students and professors of Sopron University tried to defend their town against the Soviet invaders. What clearer proof could there be that the free

atmosphere and proper scale of values necessary for the survival of universities have disappeared in Hungary under Soviet rule. It is a distressing fact that those students feel more at home abroad than in their own country, because, unfortunately, their country no longer can be called their own since it is being politically dominated and militarily occupied by the U.S.S.R.

This is no domestic affair of Hungary. The political and military power of the Soviet Union so manifest in the puppet Kadar regime and the Soviet tanks in every Hungarian town, the flight of refugees to the West, and the deportation of prisoners to the East, can by no stretch of imagination be considered as domestic questions. Does this not affect every one of us throughout the world? Is this not a question which knows no international boundaries?

I would like to remind the Delegate of the U.S.S.R. of the statement by that staunch advocate of freedom, William Ewart Gladstone, in referring to the demands of the Bulgarians for independence in the 19th century: "You cannot stop the forward march of a nation".

Mr. President, the forward march of Hungary towards freedom can be interrupted and delayed; it cannot be stopped, nor as my Prime Minister said a short time ago in a message to the Hungarian-Canadian Federation -- "There can be no doubt in the mind of the free world that sooner or later Hungary will again be a free nation".

I need hardly say that Canada supports this resolution, as indeed we will support any move within the framework of the Charter of the United Nations, to improve the chances for the Hungarian people of securing a real measure of national independence. At the same time, this Assembly must insist on compliance with its resolutions and must also require that respect and courtesy be paid by member governments to its Secretary-General. In this respect, I should like to ask what reasonable explanation the Delegate of Hungary has produced to justify the fact that he seems to have deliberately duped this Assembly. Indeed, it seems to me that the Hungarian Government is treating that Assembly with studied contempt by answering our reasonable requests by a radio announcement. I would go further and ask if it is not treating its Representative, who is acting Foreign Minister of his country, with similar contempt.

The Delegate of Roumania has said that life is being normalised in Hungary. So far as I know, martial law now rules there, and Soviet martial law at that. Is this what the Delegate of Roumania means by normalisation of life? It seems to me a pretty complete refutation of the statements by him and other members of the Soviet Bloc in this Assembly to the effect that order has been restored. Order there may be but it is the order of the grave.

To conclude, I must say that this resolution is the absolute minimum which the world has the right to expect from this body. It is the ninth resolution on this subject before this Assembly. It will no doubt receive overwhelming support from all member nations which believe, as we do, in the duties of the Assembly to protect freedom against tyranny. We can only hope that it will not have been adopted in vain.

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SPECIAL SESSION - 22nd PARLIAMENT

THE SITUATION IN HUNGARY

Following is the text of a statement in the House of Commons by the Minister of Citizenship and Immigration, the Hon. J. W. Pickersgill, on Monday, November 26, 1956.

'I am going to try, as objectively and dispassionately as I can, to explain the situation as it has been reported to me and as I understand it what is the precise problem. I shall try as precisely as I can to indicate what the government of Canada has so far done about it.

As hon. members know, the Russians moved against Hungary on Sunday, November 4, and they began shooting down people in a frightful manner, not only in Budapest but all over Hungary. Almost immediately there was a stream of refugees across the Austrian border, a stream which has not ceased to flow, a stream which with every day that passes is creating more difficult problems for the government of Austria. Austria has improvised camps for the temporary relief of these refugees, and it is their desire to get the people out of those camps and moved to some other country just as quickly as possible. It is not that they are not hospitable, it is simply that they want to use their limited resources in order to take care of the new people who are crossing the border.

On the morning of November 6 I issued instructions to our office in Vienna that priority was to be given to applications from these Hungarian refugees, that any such applications were to be processed at once, and that if there were other things the Austrian government wanted us to do in order to help in this matter our officers were to let us know what they were. They were to advise as quickly as they could how much extra staff would be required, and they were given full authority to engage any local help that was necessary. They were told that we would transfer staff from any other office in Europe without delay, and regardless of whether it impeded other operations, in order to cope with whatever flow of refugees there might be.

I think anyone who has stopped to reflect on this matter for two minutes will realize that in the first week or for the most of the first ten days of this movement of refugees very few of them would be thinking about crossing the Atlantic or going to Australia. They were thinking about where they would get their next meal, they were thinking about what had happened to the other members of their families who had not escaped, they were wondering what was going on in Hungary and whether the revolution from which they had hoped so much, was going to be crushed or whether in fact a situation would be created which would enable them to go back to Hungary. I think the majority of them are still preoccupied mainly with those considerations.

But within a week there was an increasing number of people who decided that the best thing to do would be to go to Canada, the United States or Australia, at least to settle down for a while because there was not much hope in Hungary. We discussed with the Austrian government whether we should send teams into the camps and they asked us not to do so. They said, "You cannot send people across the Atlantic or to Australia unless they want to go". That means you have to ask questions and delay their movement. It does no great harm to anyone to be sent to Switzerland, Sweden, Germany or some other adjacent country from which he could go back home without too much trouble and where he can remain while he makes up his mind. They told us that they wanted to move these people from the camps, as quickly as possible, to other countries, where other countries had offered refuge. They told us that what they wanted was to have the United States, Canada and Australia deal promptly with those people who had indicated that they were interested in going to one of those countries. They told us that they would send such people to us, and that is the way the thing has been proceeding so far.

We indicated on the morning of November 6 that not only was priority to be given to whatever applicants there were, not only was the staff to be increased to handle whatever flow there was, but that anyone who wanted to come and who was physically in position to come would be given assisted passage without regard to what means he had. That was the case and it has remained the case. We did not inquire whether the loan would be paid back. We hope it will be paid back in due course, because I believe most of these people are going to have little difficulty in getting established in Canada in the next few months.

I also made it clear in Toronto, Winnipeg, Vancouver or wherever anyone asked me about it that any responsible individual or organization in Canada was at liberty to sponsor immigrants, either people they might know about or simply to make facilities available for people whom they did not know. This would include people who were not able to look after themselves and even people who were in need of medical treatment. I also said that if some of these people required medical treatment and therefore could not by law be admitted to this country as immigrants, I would use the powers that parliament gave to the minister under the Immigration Act and admit these people for treatment wherever, whenever and as often as arrangements could be made for that treatment. I also said that every application to any immigration office anywhere in Canada by Hungarians or Hungarian-Canadians for specific people was to be received and every possible effort was to be made to locate these people if there was a reasonable prospect of their being among the refugees or if there was any prospect of their getting here in any other way.

I have been in very close touch with the situation in Vienna. We get reports every day, We have been in a telephonic communication three or four times, and the one thing I have been most insistent about is that the flow must not be stopped, that as many cases as come along are to be dealt with regardless of whether that involves not filling out forms, whether it involves cutting out X-rays, whether it involves doing away with almost any other kind of red tape, if you like to call it that, or normal procedure. Every one of these procedures is useful in settling people here and if they are not carried out the problems when they get here are going to be greater, but we will have to cope with them when they do get here. That is the view I have taken that the main thing to do is to keep the stream flowing. So far there has been no difficulty about doing that.

It also became quite apparent to me when I got back from the Pacific coast at the beginning of last week that the numbers were reaching proportions that were going to be well beyond the capacity of normal transportation to deal with. I took steps at once to get in touch with Canadian Pacific Airlines, Trans-Canada Air Lines and the shipping companies to see what special arrangements could be made, and I announced on Friday that an airlift was being organized. I may say that we got every aircraft that C.P.A. or T.C.A. could

make available, and I announced that publicly. It was given to the newspapers. Some of them did not see fit to give the announcement very much prominence. Perhaps this is not objective, but I do confess that I was a little surprised to read in the Globe and Mail on Saturday that somebody ought to establish an airlift, and because the federal government would not do it somebody else should. Actually I think we are getting every aircraft we know anything about on which we can lay our hands.

We also canvassed the possibility through Trans-Canada Air Lines and the steamship companies of getting enough space to deal with this problem either by air or by sea. On Saturday we learned that between 300 and 400 passengers could be taken on a ship sailing from Bremen at the end of this week, and I gave directions that the whole of the space was to be taken at once. That space will be all filled at the end of the week.

I was a little concerned lest the officer in charge in Vienna was going to be so harassed by the day to day business of the office that he would not be able to look ahead and try to meet the problems that might arise two or three days hence. In consequence I have sent one of the senior officers of the admissions branch of the department to Vienna. He will be there before the middle of the week and he has blanket authority to do everything that is necessary to see that there is no stoppage of this flow.

Of course one can never be sure that all these things will synchronize perfectly, but I have very high hopes that we will be able to take all the people who show any interest in coming to Canada and that in one way or another without too much delay we will be able to find some transportation to bring them here. This is not the problem that worries me. The problem that worries me and that ought to worry every responsible member of the house and every Canadian who is properly concerned about this problem is what is going to happen to these people when they arrive. It is very easy, as the hon. member for Peace River says, to say that we will throw the doors wide open and let anybody into the country, but I hope everybody who advocates that course will be just as anxious to see that some responsible

person is willing to look after these people 20 years from now if we get some of the kind of people who need care for that long.

That is the kind of problem that anyone who has any sense of responsibility has to think about and think about seriously when he is tearing up human beings by the roots and moving them to some other place. I intend to follow the advice of the hon. member for Peace River. I intend, and I have the authority of my colleagues to go ahead and do this, to let in the people who want to come here, and we intend to try to distribute them across the country to the best of our ability. I am very pleased that Canadian Pacific Airlines are going to have their flights direct to Vancouver. I think that is a very good thing. When I was in Vancouver the other day I found there was a good deal of complaint that immigrants, because it cost more to get there, never got there, though that is not borne out by the statistics. But I felt that here was one occasion when we would get some of them to British Columbia first.

I have also arranged a meeting between the social agencies that are concerned about immigration and the officials of my department tomorrow to try to co-ordinate reception, because it just cannot be left to purely local efforts any longer. It can this week, but I think by next week the numbers are going to be so great that there will have to be a lot more organization than there is now.

In that connection I may say that I was very gratified this morning to have a telephone call from the office of the premier of Ontario and subsequently a telephone call from the minister of planning and development of Ontario, the department that interests itself, and quite properly under the constitution, in immigration in so far as it comes within provincial jurisdiction. I told them what we were doing and indicated some of the ways in which I thought they could be most helpful. I told Mr. Nickle, the minister, that I would send him a telegram to confirm what I had said, and as it contains a certain amount of information that is of general interest I think I might perhaps read the text of it to the house. It reads as follows:

In confirmation of our telephone conversation, I

thank the Ontario government for their offer of co-operation in the transportation to Canada and reception here of Hungarian refugees. The federal government, as I announced publicly last Friday, has already organized an airlift through Trans-Canada Air Lines and Canadian Pacific Airlines and we are negotiating for additional air transport. We also have arranged for a ship to sail from Bremen next week end with about 300 refugees.

I am told it will be considerably more than 300.

Where help will be most urgently needed is in reception of Hungarians on arrival in Canada, shelter and care pending settlement and medical care for those who may require it. This last is particularly important in view of relaxation of normal medical examinations in Vienna. We will especially welcome co-operation of the Ontario government in these fields and you are invited to send a representative of your department to a conference in Ottawa tomorrow with my officials and the social agencies on these problems.

Before coming into the house this evening I was advised that the deputy minister of Mr. Nickle's department will be here tomorrow for that meeting. Up to now I myself have not made any specific approach to any provincial government with one exception. The premier of British Columbia called on me the other day about another matter and at that time I took advantage--perhaps that is the right term to use--of his visit to tell him that I was not only the superintendent general of Indian affairs but also the Minister of Immigration and that in that capacity I expected to present the provincial authorities and the local authorities in British Columbia with some problems that I hoped they would do their share to meet.

Mr. Bennett assured me--and he said I could say so publicly; otherwise I would not be saying it--that they would do their share. Personally I hope they will do a little more than their share because they are so obviously wealthier than any of the rest of us. But at least if they do their share it will be a great help.

In that connection I think, at the risk of seeming to be sentimental, I should like to tell the house of something that happened in Vancouver a week ago Saturday afternoon.

I undertook to receive the executive of the native brotherhood of British Columbia. I also agreed at four o'clock that afternoon to receive a delegation of Hungarian Canadians who wanted to discuss this refugee problem. The two appointments slightly overlapped and I could see, through the glazed doors of the office, that the Hungarians had arrived before the meeting with the Indians was quite over. I said to the Indians that these Hungarian Canadians were coming to talk to me about the unfortunate refugees in Vienna and I thought it would be a rather nice thing if I brought them in before the Indians left so that the Indians could express their sympathy to these people. They came in and this happened very pleasantly.

Then that meeting ended and I started my discussion with the Hungarians. Within five minutes there was a knock on the door and the president and one of the other officers of the native brotherhood came in and said, "Mr. Fickersgill, there is one more thing we want to talk to you about". I started to excuse myself to go out and they said, "No; we do not want to go out. We have had a meeting out in the hall and we thought we should not just use words to express our feelings". They put \$50 on the table. I am confident that if other Canadians--all the rest of us who are descendants of immigrants or immigrants themselves--do as much as these Indians, who are not very wealthy, did that day, and if we do our full share to help solve this problem we shall have no trouble in this country in absorbing all those Hungarians who are willing--and many of them will not be--to come to Canada in the winter.

For my part I think in due course the problem in Vienna will resolve itself, but that there will be another problem after that one. Many of these people who have gone to Germany, to England, to France or to other countries to go into refugee camps are not going to want to stay there. As time goes on and as this most immediate problem in Austria is alleviated, I think the next step we will want to take is to arrange to send teams into these camps and do what we can to get those people to come here also.

I do not want to conceal from the house my opinion, and the opinion upon which the government intend to proceed next year with our immigration policy, namely that we are

going to need all the people we can get next year in order to get done the essential work that ought to be done in this country. I am not at all worried about the able-bodied people, the people who are able to take any kind of work and are willing to do it, and who are able to support themselves. But, as I said before, I am somewhat worried about those who are going to come because of the policy we have undertaken and who, over the years, are going to be problems for themselves and for us. I do say that I will welcome, as will my department and the government and, as I am sure all of us will, every offer of co-operation; and by offer I mean a tangible, concrete offer on the line, with details about what is proposed to be done and not just vague expressions to the effect that the government ought to do something. We will do everything we can, but I do not want to be responsible for bringing to Canada people who are going to have to live for very long in our immigration halls. Handsome as they are, I do not think they are going to be very much happier in immigration halls than they would be in relief camps on the other side of the Atlantic.

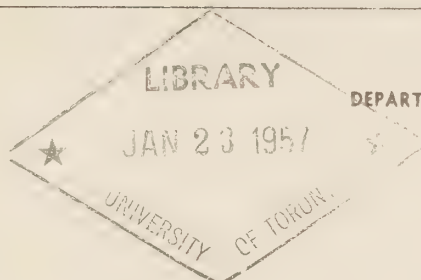
As I said in Vancouver, I am all for bringing to Canada all of these people who will be better off and happier here. But the government alone cannot make them better off and happier. We are going to bring here as many as want to come and for whom we can provide transportation, but we are going to need all the help we can get from everyone able to help us if this thing is to be a real success and a credit to Canada.

VERNMENT



CANADA

STATEMENTS AND SPEECHES



INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

- 571

No. 57/1

INDIA AND THE UNESCO CONFERENCE

Text of the farewell address by Mr. L.W. Brockington, Chairman of the Canadian Delegation, at the Closing Session of the General Conference of UNESCO at New Delhi, India. December 5.

"I owe you an apology for my inability to present a formal address to you. Perhaps I have been too lazy. If you can see the notes in my hand you will know the truth of the remark once made by a Mayor of New York that an impromptu speech is not worth the paper it is written on.

"Now it is very pleasing to give thanks when thanks are due and I must say that I have watched with growing admiration the operation and uncommon skill of the Director-General and his staff in the difficult tasks which he has performed.

"Now I am not quite sure as I watched him whether he and his staff are operatic impresarios or tamers of wild animals. For every nation, as we know by experience, is a kind of a prima donna, and when I think of his operatic activities I remember what a character said in Utopia a play by W.S. Gilbert. A man who can run a theatrical crew, each one a genius and some of them two, can govern this tuppenny state.

"And when I thought of his difficulties as a trainer of wild animals I remembered two stories of my boyhood. One was of a menagerie keeper who said to the audience, Walk up, here we have seventeen species of wild animals all living amicably together in the same cage. I beg your pardon, the other sixteen are now inside the lion.

"And I remember the other unfortunate man who had as an exhibit a lion and a lamb lying down together in the same cage. He was asked how he managed to have lions and lambs lying down together in the same cage. Well, he said, I manage it by frequent renewals of lamb.

"Now I am not going to say who in this audience are lions and who are lambs but I am sure we are all grateful to the Director-General and his staff whether they are our producers or our keepers.

"This is the third great meeting of Eastern and Western minds, hearts and minds, which I have attended in the last two or three years. Not long ago I was in Athens, that ancient sanctuary of the freedom of us all, that enfranchiser of the human mind. It was of Greece of which it was once said that the Greeks knew all the right questions to ask. I may say we are still searching for the right answers. At the closing session of seventy nations, many from the East and the West, we met as the sun was setting behind the Acropolis. We stood almost on the exact spot where Demosthenes once made his passionate pleas for the freedom of his native land. There also St. Paul preached of the Fatherhood of God and the Brotherhood of man. And I think we all realized there and then that without brotherhood there could be no freedom. And we lawyers found a pride and an inspiration in the knowledge that there were two lawyers, heralds of UNESCO, who both looked at the world with eyes of pity and talked to it with tongues of fire. One came from the West and the other one from the East. And one was Abraham Lincoln from the United States of America and the other was Mahatma Gandhi.

"And the other international meeting I attended was held in Scotland last year for the celebration of the birthday of that poet of the people and liberty, Robert Burns. Now there was no delegation more welcome or who deserved to be more welcomed at that meeting than the Russian Delegation. They were headed by a famous Russian poet, who had recently translated the poems of Robert Burns in to Russian. And any of you who read Burns will know that it must have been a formidable task. And in the first week he told me he sold 160,000 copies. And amongst the verses of Burns which appealed to my Russian friends and which are known, no doubt to you all, and have echoed in this meeting, as an inspiration, are some lines from a poem called, "A Man's a Man for A' That". Now in the verse I am going to quote to you there is one difficult word, "gree", which is the Scottish word for a prize. And this is what that poem says:

Then let us pray
That come what may,
As come it will for a' that
That sense and worth
Through all the earth,
Shall bear the gree
For a' that.
For a' that and a' that
It's coming yet for a' that,
That man to man the whole world o'er
Shall brothers be for a' that.

"Now I came with those words echoing in my ears, with high hopes to this meeting. And those hopes remain still undimmed. And I, speaking for my English-speaking confreres, would like first of all to thank all those faithful men and women of many races and many peoples who have sought the truth and have worked so hard to enlarge the human family and to keep friendships, personal, national and international in repair. And I would like to say for my own land of Canada that by the time of the next session of this body we shall have long since set up a Canadian UNESCO Council for the first time and it is the hope of all the Canadian Delegates that our successors will come better prepared by continued and continuous study to serve the purposes of this great organization.

"Now as we go to our homes there are many glimpses and echos which will follow us into our winters and our wanderings. We shall remember many things -- friendships and courtesies. But three memories will stand out about this meeting in my mind, I think above all others. I shall never forget the Egyptian Delegate whose splendid dignity and honourable fairness impressed us all. And I think a remark he made in the Programme Committee which you may not all have attended, interpreted the spirit of UNESCO as well as any other words I have heard spoken. For in a debate about the architectural and other monuments he paid a tribute to the educational and scientific and cultural assistance that throughout the years had been given to Egypt by Britain and France and he said how sincerely happy he will be when all misunderstandings and difficulties have been swept aside and that grand relationship is restored once again.

"I was impressed too, as I hope you were when my own ancestral land of Britain, whose honour is so dear to me and whose departures from conduct that is generally approved so sad to me, when I saw my own ancestral land of Britain showing her best side in voting willingly for the resolutions sponsored by Egypt and by Greece.

"And I think I shall never forget either the moving eloquence and sincerity of Mr. Nehru. And I would like to say this about him. By his personal suffering and sacrifices for freedom of his own land, he is surely fit to be one of the great champions of freedom everywhere. And when I hear some of the things he says I am often reminded of a great phrase by the Englishman, Tom Paine, who helped the Americans in their War of Independence. When somebody said to him Where freedom is, there is my country, Paine replied Where freedom is not, there is my country.

"Now of our thanks to India, to the Government and people of India, it is impossible to speak adequately in a few minutes. They have housed us and entertained us magnificently. But above all they have given us an opportunity unparalleled at least in my life, to enrich our common humanity.

"Now as we go away in the days to come many little things will flash upon that inward eye. There are some scenes to make us all very sad. Scenes of suffering and poverty. But I remember in my youth conditions in Britain when there were terrible slums and where ragged children with bare feet on winter nights sold papers on the street corners. And I remember hearing a young man from Ruskin College, Oxford, making a speech at that time. And this is what he said as far as I remember. He said I am an Englishman and I suppose in a way I am proud of the British Empire. But I am not concerned with an empire where the sun never sets as long as there are thousands of back alleys where it never shines. And so with joy I think we all witness India's careful planning and her determined effort to improve the lot of her own children. I have faith and I am sure we all have faith in her ability to do so.

"Now these things, some perhaps little things about this country I will not forget. In the Parliament House as the benediction which reigns over it, there is not an emblem of kingly majesty, nor of glory nor vainglory, no sign of might or wealth or of temporal power but the benediction that looks down from the walls of the house is the portrait of a man who was simple in life, steadfast in faith, saintly in conduct, a man of infinite compassion and unflinching strength and courage. I think of India as a nation of individuals. And I like individuals. And where can you find anywhere more individuals of infinite variety. I have met as we all have met many men and women with the grace of words upon their lips and wisdom in their hearts. I have heard the gentle teaching of calm philosophers. I have seen aged faces chiselled by sorrow into a rare and strange beauty. I have looked into young faces, transfigured by the eagerness of their enquiring minds by love of their free hand and eyes shining with a new hope. And as I have looked at them I have found myself repeating, "But come let us not lose hope in the world prematurely. The world is not quite given up to diplomacy, to the combination and the finding of formulas. There are always the young, the devoted, the enthusiastic, the breakers of fetters". We have all met much kindness and great courtesy. I have seen a nation that knows what should be the real end of revolution. For the real end of revolution is not only to sweep away evil things but to keep the good things. And I think we with English and American institutions, are so happy to see that India has kept as the solid basis of democracy, parliamentary institutions with their freedom of debate, and the dignity, the fairness and the incorruptability of its courts of law.

"Now many of us will depart, as I will, humbled and chastened, and yet we shall take away with us a new richness. For we know now, or I do, as never before, the passionate feeling in the East for brotherhood and equality. We honour India, not because of what she has but because of what she is and what great gifts she will give, and is beginning to give already to a free world where someday right will be the conqueror and wrong be the conquered. If we owe thanks to India how best can we repay our debt? Let me suggest that we all go back

as ambassadors of her tolerance, her hatred for violence, her passion for human brotherhood. Let us remember that in this land there is taking place before our eyes a blending of the spirit of the age, which is material and scientific progress, and the spirit of the ages which is devotion to Mother Earth, to the skill of the human hand and eye, and to patient and calm wisdom. Above all else in giving thanks let us make a vow in the innermost sanctuary of our own hearts and minds that we, the men and women of UNESCO, will, never tolerate domination, aggression, racial discrimination, exploitation nor any act or thought that springs from any outworn creed of national and racial superiority.

"Now in ending these poor rambling words may I join reverently in a prayer once written by a great Indian poet. For these words of Rabindranath Tagore come from a poem beloved by Mahatma Gandhi and enshrined in the heart and mind and often ennobled on the eloquent lips of Mr. Nehru. It is already a part of the folklore of freedom. And this is what Tagore said.

"Where a man is without fear,
And the head is held high;
Where knowledge is free;
Where the world has not been broken up
into fragments by narrow domestic walls;
Where hearts can tune the depth of truth;
Where tireless striving stretches its
arms towards perfection;
Where the clear stream of reason has not
lost its way
Into dreary desert and the sand of dead
habit;
Where a man is led forward by Thee into
ever-widening thought and action
Into that heaven of freedom my Father
let my country awake."

"We join reverently in that prayer.

"My friends, we came as delegates from our own lands to UNESCO. Let us return as delegates for and from UNESCO, not only to our own land but to all lands and all peoples."

GOVERNMENT



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CANADIAN FOREIGN POLICY

(Excerpts from a speech by Mr. L.B. Pearson, Secretary of State for External Affairs, in the House of Commons, January 14, 1957.)

... Recent events, especially events in the Middle East, have emphasized to all Canadians the importance and the responsibilities of Canadian foreign policy, even in respect of far away areas where there may seem to be few direct Canadian interests but where the paramount interests of all in peace and war are often involved. These events have also brought about, not only widespread public discussion of the decisions that we have made and may have to make, but also a reassessment of the principles which have underlined our policies and the factors which influence them. It has, I think, Mr. Speaker, been confirmed, if confirmation was necessary, that our foreign policy must be Canadian, based on Canadian considerations, Canadian values and Canadian interests, the greatest of which, however, apart from freedom itself, is peace. But a Canadian policy, in this day and age, is not necessarily the same as an independent policy. There is no country in the world today, even the most powerful, which in the preservation of peace and security can afford the luxury of, or run the risk of, a policy of independence in foreign affairs, in the sense that independence means isolation from one's friends or immunity from the effect of their decisions and their actions.

We should not, of course, and we do not, automatically or unhesitatingly follow the policy of the United States or the United Kingdom or any other country. Nevertheless, we cannot, and I suggest we should not, make our own decisions and our own policies without being influenced by, without taking into consideration, the policies of the United Kingdom or the United States or those of our other friends and allies with whom we are associated. No country is in a better position to appreciate

the necessity and indeed, if you like, the opportunities of interdependence in the realm of foreign policy than Canada, situated as we are on the North American Continent but being an active member, as we are also, of the Commonwealth of Nations, NATO and the United Nations and trying to play a responsible part in all those associations. We are of course, a free and a sovereign state, but freedom and sovereignty do not mean for us, or for other nations, either isolation or immunity; unless we abandon all of our national and international responsibilities, and perhaps not even then. It seems to me evident, then, that Canadian foreign policy must be influenced by various factors which we can and indeed which we often try to modify, but which we ignore at our peril.

These principal factors, I suggest, are four in number. The first is our membership in the Commonwealth of Nations, four-fifths of the people of which are now Asian, 443 million out of 530 million. Action by any of the Commonwealth nations which seems likely to foster and strengthen the ties which bind us together is almost certain to deserve, and certainly should receive, our support. The reverse, of course, is also often true.

In actual practice, there have been over the last 10 years or so since World War II very few international occasions when we have not been on the side of Great Britain; the centre of our Commonwealth. But the rarity of dissenting occasions stems not from our automatic acceptance of the policies of Great Britain but from the fact in the vast majority of international questions our interest and hers have happily been almost invariably identical. When that does not happen we, of course, regret it deeply and we do our best to reconcile our differences without delay and without recrimination. We experienced such regret indeed to the point of distress when we differed, not perhaps in objectives but in methods and procedures, with the United Kingdom on certain occasions at the United Nations Assembly meeting last autumn in connection with the Suez crisis. The Commonwealth was indeed deeply split on that issue and our relief was therefore correspondingly great, a relief shared in full measure by the Asian members of the Commonwealth, where the separation pressures were most intense, when this danger to the Commonwealth was removed by the Anglo-French decision to accept the cease-fire resolution of the United Nations Assembly. So the Commonwealth association remains strong and close. The friendly, informal and frank exchange of views in a sincere effort to reach agreement on all matters of common concern goes on, and the Commonwealth continues to play its invaluable and constructive role in today's troubled world; a role for which the whole world has reason to be grateful.

Mr. Churchill: What nations of the Commonwealth would have left the Commonwealth had the British and French not abided by the resolution of the United Nations?

Mr. Pearson: There is evidence, strong evidence, which I and others have received, to suggest that if the fighting in Egypt between Anglo-French and Israeli forces and Egyptian forces had continued and if the United Nations Assembly cease-fire resolution had been repudiated or rejected, the pressures in regard to separation from the Commonwealth in certain Asian members of the Commonwealth would have been so great that it would have been indeed very difficult to resist them. We have had evidence to that effect both from New Delhi and from Karachi.

Mr. Churchill: Has that not been denied by both Ceylon and India?

Mr. Pearson: This has been questioned, I believe, in Ceylon, including the Prime Minister. Mr. Speaker, I am giving my opinion on the basis of information which I have received from the highest authorities in the Government of India. I am not suggesting Mr. Speaker—and in my earlier statement on this I think I made it clear in the House I did not suggest—those pressures affected that we sometimes call the old members of the Commonwealth, but they certainly did affect those new members which, as I have just said, constitute four-fifths of the population of the Commonwealth.

It seems to me that this Commonwealth association, which all its members wish to preserve to be of enduring value must strive for the widest possible areas of agreement between its members. It seems to me also that the limits of such areas, though not often expressed, may be pretty clearly discerned. Whether or not we speak of it, there are certain fundamental things that unite the governments and the peoples of the Commonwealth: freedom, personal and national; parliamentary democracy and the supremacy of the individual over the state. There is also a certain basis of morality in political action to which Commonwealth members are by tacit consent expected to adhere. Such a basis can easily be disregarded, on the other hand, by those who do not share our Commonwealth beliefs and our ways of doing things. They have, for instance, often been and are being disregarded by the Soviet Union in Hungary; but the barbaric luxury of this type of conduct is not open to us. Indeed, it is completely foreign to us and that is one reason, perhaps a main reason, why we can and must work together in the Commonwealth. It is more important than ever for us at this time to strengthen within the Commonwealth our will to work together in defence of these principles; for very significant events are now about to occur in the Commonwealth as significant perhaps as those which took place 10 years ago when India, Pakistan and Ceylon became members.

We often also, Mr. Speaker, speak of the Commonwealth as a bridge, as it is, between Asia and the West; and perhaps it would not be inappropriate at this moment if I expressed my own feeling of gratitude for what the Minister of National Health and Welfare (Mr. Martin), in his recent trip to Asia, has done

to strengthen that bridge. If there is such a bridge, it has been made possible by the accession of India, Pakistan and Ceylon, which was in its turn the result of an act of constructive abdication by the United Kingdom in India in 1947. Now, this evolving process is about to shift to Africa. On March 6 next we shall welcome a new member into the Commonwealth, the State of Ghana, at present known as the Gold Coast. It will be the first native African member, and its progress as an independent nation inside the Commonwealth will be watched with great interest throughout Africa and Asia, and also in the West and by the Soviet Union.

Ghana will probably be the first of a series of new members to emerge from the continents of Africa and Asia. It may be that by 1960 and 1962 the Commonwealth will include also Malaya, Nigeria, the Federation of Rhodesia and Nyasaland, and nearer home the Caribbean Federation.

Thus the process of what I might call creative withdrawal continues to the special credit and indeed to the glory of the heart and centre of the Commonwealth, the United Kingdom. As has been said, "The smaller the Empire the greater the Commonwealth." New nations arise from former colonial territories to take their place among the free democracies of the world. As an older member of the Commonwealth Canada is proud, I am sure, to assist in welcoming these young countries, as they attain independence, to our growing family and to assure them of our friendship and our support.

A second factor influencing Canadian foreign policy, Mr. Speaker, is the United Nations, now going through a testing period that will have far-reaching effects on this future as an organization effective for the promotion of international peace, security and justice.

It should, I think, be clear to us that so long as we try to discharge our obligations we have accepted under the United Nations Charter we must by that fact accept some limitation on our complete independence in international affairs. There are now 80 members in the United Nations Assembly with widely varied resources, traditions and political experience. The Assembly's decisions which are, after all, merely recommendations and not laws, although this is sometimes forgotten, necessarily involve a great deal of give and take. We cannot expect always to have our own way on matters which are decided by the wisdom, or if you like the unwisdom, of a majority of 80 sovereign states with differing interests, differing loyalties and unfortunately with different conceptions of peace and justice.

The activities of the United Nations Assembly in recent weeks in regard to the Middle East have given us some ground for hope that the Organization can be used effectively and swiftly in bringing about a cessation of hostilities, though it remains to be seen whether it will be as effective in bringing about a

just settlement of the issues that brought about those hostilities. That will be for the United Nations a more important and I suspect a more difficult task. We can take satisfaction over what has already been done in the Assembly, but recent developments have raised in our minds some questions regarding its future and I want to mention one or two of these.

In the first place, Mr. Speaker, we have become more aware than we were previously of the gap between responsible and irresponsible membership; between the membership of those democratic countries such as the United Kingdom and France who are loyal members of the Organization and as such take heed of its recommendations and those totalitarian despotisms such as the Soviet Union which treat such recommendations with contempt when they cut across their own national policies.

This has led to a demand in some quarters that somehow or other United Nations Assembly should take action to enforce effectively its own recommendations. This of course ignores the fact that such compulsory enforcement procedure through the Assembly is not in accordance with the terms of the Charter as drafted; and also that resolutions that may be passed by an irresponsible majority in the Assembly may be such that we ourselves would find great difficulty in accepting them and the enforcement of which we would in certain circumstances resist.

Mr. Diefenbaker: What does the Minister mean by irresponsible?

Mr. Pearson: Well, I mean by exercising the right of membership in an irresponsible fashion against the principles of the Charter which was accepted by all members. This leads to another question which causes some anxiety in our minds, and that is the growing tendency in the Assembly, which is of course facilitated by the one-state one-vote principle, and regardless of the powers of state, to force through, by sheer voting strength, resolutions that are impractical and at times quite unreasonable. In reverse there is the power of a minority of one-third plus one to prevent reasonable and useful resolutions of the majority which we may consider ourselves to be both practical, reasonable and desirable.

Therefore, Mr. Speaker, in a very real sense the effectiveness of this unique instrument for the preservation of peace, the United Nations Assembly, rests with a majority of small nations now operating at least to some extent in blocs. If the group veto or the bloc veto in the Assembly, irresponsibly exercised, replaces the single-power veto in the Security Council, the larger body will soon become as futile as on so many occasions the smaller body has become. I suggest therefore that each member of the Assembly has now a greater duty than ever before to exercise its rights with a clear and unprejudiced understanding of their implications for the future of the Organization and for international peace and security. If they do it in that way they will be showing a sense of responsibility.

The need for a constructive and moderate approach to complex political and economic problems without which the General Assembly will not be able to function effectively and may not even survive can be illustrated, this is only one illustration, by the attitude taken by some members of the Assembly to what are called the colonial powers. Incidentally, those who use that term at the United Nations often exclude from its meaning the greatest colonial power, of all and the one which exercises that power in the most arbitrary and tyrannical fashion, the Soviet Union. The old colonialism is disappearing inevitably and, if the process is orderly, desirably; but that is all the more reason why those countries which still have direct responsibilities for non-self-governing territories should not be made to feel at the United Nations or elsewhere that they are oppressors to be deprived arbitrarily of their rights or indeed their reputations. The actual fact is that these countries for the most part have been leading participants in the great twentieth century experiment of bringing national consciousness and self-government to peoples who have never known them before.

There is another danger, Mr. Speaker, which faces the Assembly of the United Nations, the tendency to forget that while the world organization can perform and is performing, as I see it, an indispensable role it is no substitute for the national policies of its members. It reflects those policies, it influences them, but it rarely creates them. I think it is wrong, even dangerous, to suggest that it does or to try to replace the necessity of hammering out wise and constructive policies among one's friends merely by a resort to high-sounding moral platitudes at the Assembly. As Mr. Dean Acheson put it the other day, "Nothing more comes out of the United Nations than we put into it."

I think it is also wrong to rely on United Nations decisions only for a particular area or a particular situation. It should be remembered that if governments are to use the United Nations when they consider it in their interest to do so, and ignore it on other occasions when they find it a less convenient instrument for their purposes, the Organization will be very greatly weakened indeed and will be open to the criticism of being merely an agency for power politics. I am not suggesting that these things have happened at the United Nations but I am suggesting that we should watch carefully to see that they do not happen.

Recently the Assembly took a very important step indeed in extending its functions into the field of security after the Security Council itself became powerless in that field through the exercise of the veto. I refer, of course, to the Emergency Force which was set up to supervise and secure a cessation of hostilities. Now, Mr. Speaker, the immediate value of this force which now numbers, incidentally, about 5,500 of whom over 1,100 are Canadians, in respect of the specific emergency which brought

it into being has I think been well established. Its continuing value in helping to bring about and maintain peaceful conditions and security in the area in which it operates remains, of course, to be proven. I myself think it should be of a great value for this purpose also, provided it remains genuinely international in control, composition and function, and providing also that its limitations are recognized, especially that it is a voluntary organization which must act strictly within the terms of resolutions which are only morally binding and which must be passed by two-thirds of the Assembly in each case. But even within these limitations the United Nations Force can, I think, play an important part in bringing about an honourable and enduring political settlement in the Palestine and Suez area.

We have been discussing the possibilities of such a settlement with friendly governments in recent weeks and it seems to be the general view among members of the United Nations that the present atmosphere, charged as it is with fears and suspicions which have been exacerbated by recent armed conflicts is not at the moment conducive to the kind of discussion and negotiation which would have to precede such a settlement. I think perhaps we have to accept that position. But if, however, the passions and the bitterness of fighting must be given time to recede, that does not, as I see it, mean we can safely sit back and let nature take its course. There may be some reason for delay; there is none for indifference or for indefinite avoidance by the United Nations of a responsibility which is escapable; to make peace in the area, without which the cease-fire would not have any permanent value.

While the political climate of the Middle East is maturing toward the time when conditions will be more appropriate for a comprehensive settlement it is essential, I think, for the countries of the region, and indeed for us all, that there should be no return to the former state of strife and tension and conflict on the borders; that security should be maintained and, indeed, guaranteed. I suggest that for this purpose there will be a continuing need during the period until a political settlement is achieved for the stabilizing international influence that the emergency Force is now exercising. And this essential stabilizing role might well require the continuing presence of a United Nations Force along the boundary between Egypt and Israel; perhaps also for a time in the Gaza Strip and, with the consent of the States involved, along the borders between Israel and her other Arab neighbours, though that of course would require a further resolution from the United Nations Assembly.

It seems to me that some such United Nations supervision might help to ensure the security of the nations concerned which is so vital if they are to approach with the necessary confidence negotiations toward a comprehensive solution of their conflicts.

Not only, Mr. Speaker, in my view, must the borders be made secure between Israel and her neighbours; so must freedom of navigation through the Suez Canal and in the Gulf of Aqaba. As the Canal will soon be open to traffic again it is, I think, very important indeed to press on with discussions which have already begun at the United Nations so that the control of the operation, maintenance and development of the Canal will be in accordance with the six principles agreed on at the Security Council last September—I think it was last September. Events since that time, far from weakening the validity of these principles, have strengthened that validity and I think it is now more important than ever that the operation of this essential international waterway be—and I quote from one of these principles—"insulated from the politics of any one nation" and that the United Nations recognize and confirm that fact.

This is a problem which is right on top of us at the United Nations Assembly now, and it must be solved satisfactorily or there will be further trouble in that area. It is obvious of course—I think it is obvious, though I wish it were not—that the Soviet Union will do its best to prevent such an agreed solution on terms satisfactory both to the users of the Canal and to Egypt. Moscow has already shown that its policy is to trouble these waters and to fish in them.

Looking further ahead, the experience of the United Nations in respect of the Suez crisis, especially the necessity for hasty improvisation, underlines, I think, the desirability and the need of some international police force on a more permanent basis. We have recognized this need in the past. We have expressed that recognition at the United Nations and elsewhere as recently as in the General Assembly before the recess and we have done all we could to translate that necessity into reality, but for one reason or another it has never been possible for the United Nations, except in the special and limited cases of Korea and the Middle East, to have armed forces at its disposal; the reason for that I will not go into at this time.

Mr. Fulton: Is it the view of the Canadian Government that the United Nations Emergency Force should be assigned a stabilizing role in connection with the Suez Canal?

Mr. Pearson: Well, Mr. Speaker, there are possibilities for that if such a role is needed, but if there is agreement between the users of the Canal and the Government of Egypt which would in its turn provide for a satisfactory means of resolving the dispute over the use of the Canal it might not be necessary for any outside United Nations Force to be present on the Canal while the agreement is in effect. I think the best thing to do is to wait and see how these discussions work out.

This present Emergency Force in the Middle East is a unique experiment in the use of an international policy agency to secure and supervise the cease-fire which has been called for by the General Assembly. Why should we not, therefore, on the basis of this experience—the experience we have gained by the operation and establishment and organization of this force—consider how a more permanent United Nations machinery of this kind might be created for use in similar situations as required?

What the United Nations now would seem to need for these limited and essentially police functions is perhaps not so much a force in being as an assurance that members would be prepared to contribute contingents when asked to do so, to have ready and organized for that purpose; with some appropriate central United Nations machinery along the lines of that which has already been established for this present Emergency Force.

The kind of Force we have in mind would be designed to meet situations calling for action, intermediate if you like, between the passing of resolutions and the fighting of a war, and which might incidentally have the effect of reducing the risks of the latter. It would not, however, as I see it, be expected to operate in an area where fighting was actually in progress; it would be preventive and restoratory rather than punitive or belligerent.

It is not possible to determine in advance what would be required in any emergency, but surely members through the proper legislative processes could take in advance the necessary decisions in principle so that should the occasion arise the executive power could quickly meet United Nations requests for assistance which had been approved by it. In doing so we would be making at least some progress in putting international action behind international work.

The third factor that has a bearing on our independence in foreign policy is NATO, our membership in which gives us, not only the assurance of a strong and collective defence if we are attacked but, even more important, is our strongest deterrent against attack. Since I last had occasion to speak on foreign affairs in the House a NATO Council Meeting of very considerable importance has taken place in Paris.

The meeting, to which I have just referred, took place in Paris from December 11 to December 15. Ministers from each of the NATO countries met in Paris. My colleague the Minister of National Defence (Mr. Campney) and I represented the Canadian Government at this meeting. In addition to the annual stocktaking of NATO's defence plan and the approval of a directive for future military planning, secret of course, which took into account both economic and atomic capabilities, we had what we considered

to be useful discussions of the general international situation, particularly on the impact on the alliance of developments in the Middle East and Eastern Europe.

In these discussions we devoted more time than usual to political developments outside of what is described as the NATO treaty area. That merely reflected the increasing awareness of the NATO Governments that the security, stability and well being of an area like the Middle East, to quote one example, is essential to the maintenance of world peace, which in turn is the matter of primary concern to the NATO members.

A significant aspect of this recent meeting was the evident desire on the part of all members to strengthen the non-military side of NATO; as we increasingly realized that relations between the Western alliance and the Soviet have become a contest in terms of political judgment and action; of economic and industrial power, and not merely a contest in military strength. Having said that, it would be unwise not to add that it was recognized at our Council meeting that events in Hungary and the use of naked military force there by the Soviet Union, which use might have had far-reaching effects; these events have underlined the absolute necessity of maintaining also our military defensive strength as we become more and more preoccupied with the political and economic aspects of the struggle. As has been said by so many people so many times, we have to continue to do both.

It was to these problems of non-military co-operation confronting the Alliance that the Committee of Three Report addressed itself. That Report, which has been made public, was submitted to the Council and its recommendations were accepted by the Council members. Apart from maintaining defensive military strength the most important need of the NATO alliance in the present circumstances is for the development of common policies, as essential to that unity which is important as strength itself. The Committee of Three Report recognized this, also that new institutional arrangements or organizational changes or changes in structure would not in themselves meet this need.

What is required, and this is easier to say than to bring about, is a sustained will and desire on the part of member governments to work out through consultation policies which will take into account the common interests of the members of the Alliance. If that is not done and if national factors alone prevail in the formulation of policy, then the Alliance will have great difficulty in surviving. Certainly it will not develop beyond a purely military arrangement which will disappear if and when the fears and emergencies of the present lessen and disappear.

The most powerful member of our NATO coalition, and as recent history has perhaps demonstrated the only one which now has the economic and military power to enable it to discharge fully truly world-wide responsibilities, is the United States. Within the last few days the administration in Washington has proposed to Congress an increased acceptance of those responsibilities in the Middle East in what is called the Eisenhower Doctrine.

I do not think it would be appropriate for me to discuss in detail a proposal of the United States Government which is now before Congress and concerning which differences of opinion have already appeared, but I think I can say without impropriety that the ideas behind this doctrine are welcomed by this Government as evidence of the increased interest of the United States in the Middle East in terms of both defence and economic aid for the development of the area. It seems to me important that those two things go together there as elsewhere.

Mr. Dulles, in quoting the President's declaration to a Congressional Committee, has warned, and I think the warning is a good one, that no single formula will solve all the problems in the Middle East and that there is no single panacea for them. Nevertheless it is quite obvious I think that those proposals have very important implications which have been very well put in my view by the Washington correspondent of the Winnipeg Free Press, and I quote from one of his articles as follows:

The American Government, once Congress has given its expected approval,—

Or perhaps as I should say "if Congress gives its expected approval."

—will be committed to a solemn and unprecedented obligation in the Middle East. It will be pledged to use force if necessary to protect that region from Russia or from any state responsive to Russia's pressures.

Then Mr. Freedman went on to say this:

That is the ultimate commitment. There can be none greater. It has been defined in this challenging form to prevent Russia from believing that the eclipse of British and French influence allows it to bring the Middle East under Moscow's control.

Mr. Steward (Winnipeg North): Does that doctrine not suggest there is a danger of by-passing the United Nations?

Mr. Pearson: I do not think so. It has been said that the principles and the procedures envisaged in this doctrine are the same as those which prompted Anglo-French intervention in the Suez crisis last October. But I doubt whether that deduction will be borne out by the text of the presidential declaration which contains the following points, and some of these bear on the particular point raised by my friend the Hon. Member for Winnipeg North: (1) any assistance against aggression would be given only at the request of the State attacked; (2) any obligation to give such assistance is restricted to overt aggression by any nation controlled by international communism; (3)—and this is of some importance—any measures taken must be consistent with the Charter of the United Nations and with any action or any recommendations of the United Nations; and I take it that would mean either positive or negative action by the United Nations.

Does that mean that action is taken first and then the United Nations acts afterwards or just what does it mean?

Mr. Pearson: I think I had better stick to the wording of the declaration. You know what happened in the case of Korea, Mr. Speaker. Certain action was taken by one member of the United Nations. But within half an hour or an hour, I forget which—within a very short time—the matter was referred at once to the Security Council and this action was before Security Council for confirmation or otherwise.

Mr. Green: That is only because Russia was absenting herself.

Mr. Pearson: True, confirmation was received only because Russia absented herself from the Security Council. But we now have a procedure which, when action is vetoed in the Security Council, the Assembly can be called together within twenty-four hours and the matter referred to the Assembly, as was done indeed last October.

The fourth point is that the measures to be taken or envisaged would be "subject to the overriding authority of the United Nations Security Council in accordance with the Charter".

Then, Mr. Speaker, I think I should also point out—and this is of some importance—that the declaration does not deal with conflict between non-communist states in the Middle East nor does it deal with communist subversion brought about by non-military means.

Welcome as is this indication of the acceptance by the United States of a direct and immediate responsibility for peace and economic progress in the Middle East, even more welcome to a Canadian would be the full restoration of close and

friendly relations between London, Paris and Washington in respect of that area, and the strengthening of their co-operation generally.

Perhaps we in Canada are particularly conscious of the desirability and the need of this result. For that reason I think we would all want to give particularly wholehearted support, especially at this time, to one sentence from President Eisenhower's State of the Union message last Thursday when he said this:

America, alone and isolated, cannot assure even its own security. We must be joined by the capability and resolution of nations that have proved themselves dependable defenders of freedom. Isolation from them invites war.

I think it is hardly necessary to add in this House that no people in the world have proved themselves more "dependable defenders of freedom" than have the British.

Co-operation in the Commonwealth of Nations, in the United Nations and in NATO—all this—is important, indeed essential. But nothing is more important in the preservation of peace and the promotion of progress than is an enduring and solid friendship as the basic for co-operation and unity between the United Kingdom, France, and the United States. The recent NATO Council Meeting in Paris—and this may have been almost its most important achievement—began the process of restoring and strengthening that cooperation after the strains and interruptions to it brought about by the Suez crisis. It is essential that this process should continue.

We now have a great opportunity to profit from the unhappy experiences of the recent past by taking steps to ensure that those experiences will not be repeated.

Perhaps I should not close, Mr. Speaker, without at least mentioning—and there will be time only to mention it—a fourth factor which bears strongly on the formulation and execution of Canadian foreign policy. I refer to the fact that we are a neighbour of the United States on the North American continent.

On our relations with the United States my colleagues and I have often spoken over the last few years. I think we have made it abundantly clear that our acknowledgement of the United States as the inevitable and indispensable leader of the free world does not at all imply automatic agreement with all its policies. I have even been told by some of my friends below the line that we have a tendency to make this fact almost unnecessarily clear. On the other hand, it seems to me to be difficult to

imagine a really critical situation in international affairs, one which involved final questions of war or peace, on which we should be likely to diverge very widely from the attitude of our neighbours. If we had to, for Canadian purposes, we would certainly be in a most uneasy position. For us in Canada, therefore, to formulate and try to follow foreign policies which do not take into account the closeness of all the ties which link us—and must do so—with the United States, would surely be nothing but unrealistic and unprofitable jingoism. The time when we can comfortably enjoy this particular form of national indulgence seems to me to have long since disappeared.

In our relations, then, with the Commonwealth with the United Nations, with NATO, and with the United States, we have the fullest liberty to propose, to persuade, to advise, to object; and this liberty I can assure you, Mr. Speaker, we have used and shall use whenever a Canadian interest requires it. We will not, however, be using this freedom for the benefit of our country if we try to secede or weaken from our international commitments or if we try to ignore or take away from the geographic and economic facts of life on this Continent. Membership in the international association to which we belong undoubtedly brings us nationally very great advantages in terms of security and progress. The national advantages are, however, coupled with international responsibilities. I think, Mr. Speaker, that Canada's record in the discharge of those responsibilities over the years has been a good one and I am sure it will continue to be so.

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VERNMENT



CANADA

STATEMENTS AND SPEECHES



INFORMATION DIVISION
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No. 57/3

CANADA-UNITED STATES RELATIONS

A STUDY IN CO-OPERATION FOR PEACE

Excerpts from addresses by the Hon. Ralph Campney, Minister of National Defence, to the Seattle Branch, English Speaking Union, Seattle, January 4, 1957, and the Chamber of Commerce, Portland Oregon, January 7, 1957.

... We all know that there are international problems, plenty of them, which cause us deep concern today and which are crying aloud for solution. I am convinced that these problems can be solved, but they can be solved only by men of peaceful intent, men of determination and of good-will. Force must give way to good sense, greed to a desire for justice, suspicion to a sense of mutual trust.

In the main they can, I believe, be solved by the same reasonable processes which the Governments of Canada and the United States have successfully applied to the important issues which over the years have confronted our two countries,

And so I wish to talk to you tonight about the ways — the many ways — in which Canada and the United States have worked together and are working together in a sound constructive manner on great matters and small ones looking to the solution of our difficulties to the mutual benefit of both our nations.

It is a record of tremendously important co-operative achievement — a record of which we can both be proud. Unfortunately it is a record of which the public of both countries are almost totally unaware.

Our two nations have achieved a unity of purpose and close co-ordination of planning and action as perhaps no two independent, self respecting — proud if you will — nations have ever achieved before.

The reasons for this splendid record of amity and co-operation are to be found in our history — in the unfolding of our common heritage and in the common sense we have learned to bring to bear on our differences.

In the early history of our two countries, the dramatic story of discovery and settlement, we share much in common.

We share also common origins of race, language and law. Canada is unlike the United States in that we in Canada are a nation of two basic races and two official languages — English and French. But French place names scattered over the map of the United States from the Allegheny Mountains to the Rockies — names like Detroit, St. Louis, Vincennes and Joliet — are a reminder that the French Empire once covered the greater part of this western continent.

And there have come to the United States and to Canada alike millions of people of other races from many parts of the world, notably from western Europe. These people, welcome citizens, have added variety and vigor to both nations, have made and are making a special contribution to art, education and culture; and life on this continent has been greatly enriched by the blending of all these strains.

Epochal events in this century have also served to draw our two countries together. We have each participated in two great wars in defence of things we both hold dear. Brave men of our two countries have fought side by side to resist armed aggression in Korea. And in the face of a common and persistent threat to world peace, we are today working together in great projects for the joint defence of this continent and, indeed, of the whole western world.

We read pretty much the same books and magazines, see the same motion pictures and listen to similar radio and television programs. And withal each country has maintained its own individuality.

Millions of tourists cross the border each year. In a single year I am told the border between Canada and the United States is crossed more than 53 million times by citizens of both countries, either as tourists or commuters who live on one side of the border and work on the other.

Moreover, throughout the years there have been continuing migrations from each country to the other country.

During the fifty years 1905 to 1955 you sent 1,400,000 of your people to Canada. Today there are about 280,000 United States born persons in my country, and it would be difficult to estimate the number of Canadians of United States parentage or ancestry. It must be several millions.

Conversely, I am informed that there are more than one million persons of Canadian birth living in the United States.

In this connection I was interested to know that there are over 17,000 Canadian born persons here in Seattle, one of whom is your distinguished mayor.

By reason therefore of history, of common origins, common language and customs and similar complexes of population, Canada and the United States are very like in kind. These things have drawn us together, and even had they not, proximity would no doubt have dictated the wisdom of friendship.

Canada is a vast land — the largest country in the North American Continent, larger in area even than the United States — but most Canadians live in a relatively narrow strip of land adjacent to the 3000-mile boundary line. Indeed, ninety percent of the people of Canada live within 200 miles of the United States border.

In distant decades there have been some bitter disputes between us over specific sections of the boundary line. I need only mention the names San Juan Island, Behring Sea and the Alaska boundary to indicate what I mean. In all cases the differences were settled by diplomatic means although in some instances feelings ran high and negotiations were protracted and sharp, and some bitterness, now happily forgotten, was engendered.

Fortunately for the good relations of our two countries, a special technique was devised early in this century for solving boundary disputes and other problems in a sensible, amicable manner.

The International Joint Commission, consisting of three representatives of each country, was established in 1909. For nearly half a century now that commission has dealt with dozens of problems involving waters which form the boundary line, rivers which flow across the boundary, and other matters which have been referred to it. And it has solved nearly all those problems so effectively and so quietly that I suppose relatively few persons in either Canada or the United States know that such a useful agency exists or are aware of the great results which it has achieved.

In a host of other ways, too, the two countries work together to solve mutual problems great and small.

But I have time to make only passing reference to two or three specific fields in which bilateral collaboration has been of great mutual benefit.

Fisheries

In no field of civil activity has co-operation between our two countries been more marked than in the matter of fisheries. Remarkable results have been achieved with respect to both conservation and research.

Through bilateral arrangements we have been able to rehabilitate two very great fish resources — first halibut and then sock-eye salmon — both of which were threatened with extinction.

Scientific regulations and firm controls exercised by both countries working together have paid many millions in dividends to the citizens of each.

Only last week Canada and the United States signed a convention at Ottawa to bring pink salmon under the same international control.

In the realm, too, of civil defence activities we have developed a new and important field of close cooperation. For civil defence purposes the border between our two countries has been practically eliminated.

Boundary Waters

Again, one of the most important matters of immediate common concern is the problem of the development and sharing of our water resources in the Canadian and American Pacific Northwest.

Solution of this complex problem involves consideration of many diverse interests. Were it a matter merely for agreement between the two federal governments or merely a matter affecting the interests of the provinces and states concerned, it might be susceptible of comparatively simple solution.

But the issue is much more complicated than that. There exist in addition to national and state interests many municipal interests, private and public power development interests, industrial interests, problems of flood control, of wild-life, and of fisheries. In addition there exists in both countries the conflict for priorities of power use among public utilities, industry and agriculture. These many interests are not only individually different. They are very frequently conflicting. And I might observe in that connection that conflicts of interest are not always divided by the border line. In many cases they exist between different groups on the same side of the border.

But all these problems will be solved and will be satisfactorily solved. They will be solved by gathering the facts, studying the effect and implication of these facts, and by informed discussions in which both countries or their agencies participate. That is the time honored-way in which we have in the past settled all the difficulties which have arisen between us.

And if in the solution of these problems our interests may come into conflict, both countries are so accustomed to the democratic processes of discussion and compromise and of living in accordance with the rule of law that I have no doubt but that they will ultimately be settled — and satisfactorily settled.

Defence

May I now turn to the sphere of activity, where co-operation between Canada and the United States has been most complete, most effective and most cordial — the field for which in Canada I am primarily responsible — the field of North American defence.

The close co-operation for mutual protection which has been maintained in recent years between our respective departments of defence is all the more remarkable in the light of history. A century and a half ago we were at war with you. Ninety years ago, fear of the United States was one of the most compelling factors leading to the federal union of our provinces into one Canadian nation.

Yet from 1867 to this day we have lived in friendship and peace with never a real reason for either country to consider the possibility of defending itself against its neighbor.

Nor, in fact, had we in the past much to fear from other foreign powers. The great oceans formed a barrier to invasion, and powerful navies protected our coasts.

It is only in recent years that close co-operation between our two countries in matters of defence was established. In fact, not until 1938 when Hitler was so ominously rattling his sabre. At that time, President Roosevelt gave public assurance that the United States would not stand idly by in the event of threatened domination of Canadian soil. Canada's Prime Minister Mackenzie King immediately reciprocated by announcing Canada's obligation when he declared that:

Should the occasion ever arise, enemy forces should not be able to pursue their way either by land, sea or air to the United States across Canadian territory.

Thus was notice served to the world by both Canada and the United States that henceforth both countries were committed to a system of mutual self-defence.

Early in the last world war, during the dark days of 1940 when the Germans overran northwestern Europe and the future of the whole free world fell into jeopardy, the policy of joint Canada-United States defence came to fruition. Prime Minister King and President Roosevelt agreed at Ogdensburg, New York, to set up a Permanent Joint Board on Defence.

Throughout World War II that unique body, the Permanent Joint Board on Defence, served as the chief agency for co-ordinating mutual defence measures for the two nations. The Permanent Joint Board on Defence is still in existence, is still active, and meets regularly to study and recommend to the respective governments of Canada and the United States further and better measures looking to the overrall defence of the Canada-United States region.

Harmonization of the post-war defence policies of Canada and the United States has continued steadily and progress has been such that for some time now the general staffs of our two countries work in complete accord and have entire agreement on doctrine, plans and preparation for the joint defence of our homelands.

The advent of thermonuclear weapons of incredible destructive power combined with the development of long range jet bombers to deliver such weapons has lent ever increasing urgency to the joint defence capability of this continent. And our two countries have been moving rapidly and effectively to meet this transcending danger.

We are convinced that the best way to avoid a war of annihilation is to make it plain to any potential enemy that collectively we have the strength to defend ourselves and overwhelming power to retaliate and destroy an aggressor.

Effective air defence requires adequate detecting apparatus, adequate communications and adequate attacking power to seek out and destroy invading planes.

For six years, as you know, Canada and the United States have been jointly building an integrated warning and communications system to serve a three fold purpose, should the need arise:

- (1) to alert fighter aircraft to the approach of hostile bombers,
- (2) to warn the civil population of that fact, and,
- (3) to enable the powerful United States strategic bombing force to get off the ground and on its way to carry out its crippling, devastating, retaliatory blow at the enemy.

It is in this project of tremendous magnitude, involving unbelievable difficulties and immense cost that co-operation between the United States and Canada has perhaps been most notable.

The main elements in the integrated continental air defence system of North America are three:

First, the Pinetree radar system, covering the industrial heartlands of the United States and Canada. This system provides the Canadian and United States air defence commands with a basic radar warning and control system, and through extensive communication networks it links the Canadian and United States air interceptor forces. The cost of this element of our joint defence system was borne jointly by Canada and the United States. It has been operational since 1954.

Second, the mid-Canada line, situated in Canada north of the settled area, is an early warning line supplementing the Pinetree radar system. It has been built entirely by Canada at a cost of upwards of 200 millions of dollars. It has been a job of real magnitude, fraught with great difficulties and many new problems and accompanied by a capacity to face new tests of hard-ship and endurance. Its importance in reinforcing the warning system so vital to both countries must, I think, be obvious to you all.

Third, there is the distant early warning line, or the DEW line as it is called, across the most northerly practicable part of North America — the Arctic shore. This has been built at the expense of the United States and its building constitutes one of the epics of transportation and construction of modern times. Here in Seattle, from which huge armadas of ships have sailed northward over the past few years, you are perhaps more familiar than most with the amazing story of the DEW line construction project. The DEW line with its extension down both flanks of the continent to prevent "end runs" by hostile aircraft, constitutes of course the most remote element of the whole warning system.

The three lines which I have mentioned — the Pinetree system, the mid-Canada line and the DEW line with its extensions — when fully operative, will constitute a co-ordinated system inter-locked by an elaborate and extensive communications network, the whole designed to alert the continental air defence system, the United States retaliatory force and civil defence organizations as well should a hostile air attack be launched against this continent.

I have indicated only briefly the highlights of this great co-operative Canada-United States defence effort. That effort is really part of a wider program in which both countries are engaged for the preservation of peace — a program based on a dedication to the principle of peace through collective security

Both Canada and the United States have consistently over the years supported the aims of the United Nations.

Within the framework of the United Nations, both have strongly supported the North Atlantic Treaty Organization.

Canada's participation in two world wars has led Canadians to the conviction that the defence of Canada, the defence of North America and the defence of western Europe are all inseparable parts of the same objective — the preservation of western civilization by ensuring through the strength of NATO that aggression will be deterred and peace maintained.

Since NATO was organized nearly seven years ago, Canada has almost trebled the strength of its active forces. As its contribution to the integrated forces under the supreme allied commander Europe, Canada has in Europe 12 squadrons of jet aircraft and an infantry brigade group. In addition, some 40 Royal Canadian Navy warships are earmarked for duty under the supreme allied commander Atlantic.

We in Canada have made our contribution to the cost of airfields, pipelines and communications systems in Europe. We have given mutual aid to our NATO allies in the form of equipment and other help to the extent of one and one-quarter billion dollars. This latter item includes the cost of our NATO air training scheme under which the Royal Canadian Air Force has been training aircrew for our allies — incidentally we have already trained 4400 aircrew for our NATO allies.

Our rapid and extensive defence build-up at home and our contributions abroad are, I believe, no mean achievement for a nation of only sixteen million people.

May I now return to my main theme—the close, friendly relationship of Canada and the United States. It took many years to develop the understanding, the mutual trust and the confidence which characterize our relations today. We have had to devise new international techniques, new diplomatic devices. But through patience, study, discussion and compromise we have settled peacefully most of the problems affecting a large part of this continent. And we have settled them in such a way that the decisions have occasioned a minimum of acrimony and a maximum of satisfaction.

Is it too much to hope that the practical example which our two nations have set for the world may yet prevail—may yet lead to an ever widening appreciation and application of the principles which have come to govern our relations?

I have just returned from attending the NATO Council meeting held at Paris. NATO has, I believe, been the bulwark which has during recent years saved the Western World against the threat of aggressive attack. The Soviets do respect power and military strength if nothing else. And NATO, I believe, notwithstanding some set-backs, has been growing stronger and more effective as the years pass.

But, the suspicions and the prejudices born of history which, as was for long the case in respect of the Civil War in the United States, still haunt the peoples of Europe will be gradually eliminated only with the passage of time and as the free nations draw closer to each other in mutual dependence.

And to say that is not to be critical of European countries—these conditions are the product of history, not the wilful wish of the nations of today. These nations have lived through bitter trials and troubles—through wars almost without end—through vicissitudes unknown to us on this continent.

Is there no way by which we can assist these countries toward greater mutual confidence by familiarizing them with the joint experience of Canada and the United States, which for a century and more have never failed to solve their difficulties by peaceful means and without impairing their friendly relationship?

Surely there must be some way of making the history of our joint relationship a power for good, a compelling power for the establishment and maintenance of peaceful relations, of sensible settlements of disputes and difficulties between nations.

Our two countries have surely set an example, for the rest of the world. How can we make the example more effective in the cause of peace?

I leave that question with you. The organizations represented here tonight are all dedicated to the cause of peace. Can you not help make more effectively and widely known to all the world that Canada and the United States have learned how to live in peace, have learned how to settle their troubles as they arise, how to do so while maintaining their friendship and respect for each other?

If this could be accomplished, a great forward step would have been taken, I am sure, toward the goal for which we all strive—a world at peace—a happier world than we have ever known—a world where progress beyond man's fondest dreams may yet be possible.

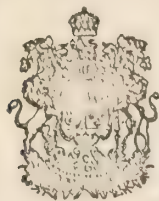
St. Lawrence Seaway

The co-operation which has been shown by both Canada and the United States over recent months in that huge navigation and power project — the St. Lawrence Seaway — now well on the way to completion has been indeed remarkable. The problems to be tackled were tremendous. Apart from the sheer physical magnitude of the project, there were many large and difficult problems to be overcome. State, provincial, municipal and federal interests had to be reconciled. Towns and villages had to be moved. Territories set aside as Indian reservations

had to be appropriated. Municipal and domestic supplies of water and sewage disposal arrangements had to be considered anew. Upstream and downstream riparian interests had to be adequately protected. All these problems and others had to be studied in the large context of providing a seaway into the heart of a continent and putting into use a large international source of power of upwards of two million horsepower and at a total cost for navigation aids and power development of upwards of one billion dollars.

In this vast undertaking, both your government and mine, the International Joint Commission, the Power Authority of the State of New York, the Hydro-Electric Power Commission of Ontario and many other public and private agencies have worked together to complete the plans and get on with the job. As a result of these combined efforts, the St. Lawrence power and seaway development will be a reality in a few short years and will provide yet another monument to the co-operative spirit which has traditionally existed between our two countries.

S/C



STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

- 571

No. 57/4

REUNIFICATION OF KOREA

Statement by Dr. R.A. MacKay, Permanent Representative of Canada to the United Nations, in the First Committee of the General Assembly, New York, January 4, 1957.

It is a matter of regret to us all, I have no doubt, that the prospect of the unification of Korea into a single free and peaceful state is not much closer this year than when we last discussed the subject. As we have said before, however, we must recognize that it will take time to reduce the tensions and allay the passions which are the inevitable result of so bitter and tragic a conflict. We should not relax our efforts to promote a settlement, but we should not despair because this has not yet been achieved. We may rejoice in fact that the armistice has been maintained and that the Korean people have been able to devote their remarkable energies to the economic rehabilitation and development of their country and - in the South - to hold elections, the results of which prove that there was a vigorous exercise of the right to vote freely. We only wish that it were possible to note with satisfaction economic and political progress in the North as well or even some reflection of the restless hunger for independence which has been a notable feature of many other Communist regimes during the past year. Unfortunately, it is still very difficult to note anything at all about North Korea, but what little information does reach the light of day is not encouraging.

Last year the Canadian Representative made a plea in this Committee for a practical and flexible approach to the problem of unification of Korea. I do not wish to repeat what was said at that time in detail, but I would like to say that my Delegation is as much convinced as it was at that time that the United Nations must not allow any unreasonable stubbornness to stand in the way of negotiations which might lead to a settlement. Stubborn we must be in insisting on certain principles fundamental to unification. This must be a union freely entered into and must establish in the words of the United Nations objectives stated in Geneva, "a unified, independent, and democratic Korea under a representative form of government". The United Nations cannot under any circumstances agree to a union achieved by political

subterfuge or one in which the rights of the majority were less than that of a minority. On the means of achieving such a union, however, we need not be so rigid. It is the end result not the means of achieving it which matters.

To achieve the reunification we all so devoutly wish, it seems to us that we must recognize certain inescapable factors of the situation. The United Nations, as the Representative of India pointed out yesterday, did not fight in Korea to achieve unification by force; it fought there for the declared purpose of repelling aggression. We are not, therefore, faced with a situation in which we can impose a settlement. The settlement will have to be negotiated just as an armistice was negotiated. Such negotiations are inevitably prolonged and frustrating, but we have had a remarkable degree of success in hammering out under the aegis of the United Nations agreements which have provided a framework for peaceful adjustments and eventual settlements. This is the most honorable work of this United Nations, the process of conciliation and pacification, and we must not back away from it. If there is to be any hope of success, we must make it clear to all concerned that we shall seize any honorable opportunity of seeking a solution and that we are not forever bound by formulas which have been established in the past. Useful work was done at Geneva and some useful work has been done since, but we don't think we should forever stand on a position that the Geneva proposals are a final ultimatum. There are, as I said before, certain things on which we must never yield in any negotiations, the most important of which is that the government chosen for a united Korea truly represent the free choice of all citizens of Korea. However, we should not object if some one should produce new and satisfactory proposals which were not necessarily in strict accordance with what we thought to be the best procedure in 1954. It would certainly have to be a procedure acceptable to this Assembly, but we trust that this Assembly would welcome any procedure which would do the job safely and satisfactorily.

We cannot forget the crime that was committed in Korea by the Communist forces and we could not accept any implications that there is moral - or even substantial - equality between the Republic of Korea and the regime in North Korea. What we are now seeking to do, however, is not to pass an historical judgment but to repair the shattered state of Korea. This is the peacetime phase of the Korean question in which we must deal with the political realities as they exist. It was for these reasons that my delegation did not wish to oppose the Indian proposal yesterday to admit as observers representatives of North as well as South Korea. Although we remain duly sceptical of the good faith of the North Koreans, we consider that if there is to be unification we shall have to gather into the process of negotiations all those in Korea who must be a party to the settlement.

These are our views on the general principle of achieving a settlement. It seems to us that the resolution proposed by the United States is consistent with these principles. It urges us to continue looking for a means of achieving the objective of unification; it insists on those fundamental principles which, as I have stated, must be the basis of a settlement; and it does not preclude negotiations for a settlement which should satisfy the legitimate demands of all concerned.

S/c

GOVERNMENT



OF CANADA

STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA CANADA

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UNIVERSITY OF TORONTO

No. 57/5

ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED COUNTRIES

Excerpts from a Statement by Senator David Croll in the Second Committee of the United Nations General Assembly, New York, on January 8, 1957.

I do not propose, at this stage, to discuss SUNFED, industrialization or international taxation. Furthermore, while my country has, in recent years, developed dramatically from a predominantly agricultural economy to an industrial and commercial nation of world importance, I do not feel that it would now be appropriate to discuss Canadian economic experience at great length, worthy of examination and study as that experience may be.

Within the limitations which I have set myself, there are, nevertheless, a number of important questions concerning the economic development of the under-developed countries which I would like to discuss briefly before turning to the resolution before you which my Delegation has the honour to co-sponsor with the Delegation of Norway.

Canadians are an introspective people. We tend to be even harder on ourselves than on our friends. We have no real enemies. For example, there have been a number of books and statements made recently in Canada to the effect that Canadian politics are dull. If by "dull" one means stable, practical, progressive and constructive, then I think that any Canadian could accept this description without argument. Perhaps this type of dullness has advantages which it would be appropriate for me to mention with regard to current international economic problems. Countries who, like Canada, are countries embarking on economic development programmes must secure the confidence of other members of the international community and, in addition, enjoy those conditions of internal stability which are necessary for the success of ambitious development plans.

It is the conclusion of my Delegation that communist or dictatorial regimes, while capable of swift and ruthless action of a kind which is neither possible nor desirable under a democratic form of government, are liable to erratic changes of policy

and to violent economic fluctuations which endanger steady economic development. The Canadian Government sympathizes with and attempts to understand the problems of the under-developed countries which are evolving moderate democratic machinery under difficult conditions, and Canada has helped in the past and will continue to help in the promotion of those conditions of economic stability necessary to peaceful progress. No one can say to me, much talk and little done.

My Delegation is grateful for the authoritative statement made by Mr. De Seynes at the beginning of this debate. He referred at one point however to the differences in per capita growth between the developed economies and the under-developed economies. Other speakers, both during the discussions of the Economic and Social Council at its 22nd Session and at this meeting of the General Assembly, have drawn the conclusion that the gap between the developed and under-developed countries is increasing. My colleagues at this table with technical or political experience know that statistics can be made to mean anything. The rate of growth in per capita output in the developed economies may well be rising faster at the present time than per capita rate of growth in the under-developed regions, but I wonder if we are justified in drawing from this statement the conclusion that the relative or absolute gap between the economic welfare of the two groups of countries is increasing. The per capita output of many of the under-developed countries immediately after the Second World War was very low indeed. Great strides have, however, been made and it is quite possible that relatively modest statistical increases in per capita output in some less-developed economies in fact reflect important advances which will produce cumulative growth of per capita output in future years. I think it would be quite wrong for the members of this Committee to conclude from the very preliminary information available, that the economic development of the under-developed countries, far from advancing, was falling behind relative to the so-called developed countries. My Delegation does not believe this to be the case and considers that a close analysis of the progress which has been made, for example in India, Pakistan and Ceylon, will bear out our contention. In these countries and in other countries very great strides have been made which hold out great promise for the future and which are of substantive relative significance even when compared with the much more obvious advances which the so-called developed countries have made. Of course, as the Secretary-General has also pointed out, continued advances in the economies of the raw material importing countries are of direct benefit to the under-developed countries. What my Delegation would like to guard against is a feeling of pessimism or of hopelessness which in our view would be unjustified. Much remains to be done, but it would be economically unsound and politically discourteous to minimize the efforts of the under-developed countries and to suggest that they are still falling further and further behind in economic growth.

On the same general subject I would like to refer to a statement made by the distinguished Delegate of Bulgaria on December 14. He divided the world into three rough groups -- the highly industrialized countries with capitalist economies, the countries with socialist economies, and the under-developed countries. With all due respect to the Delegate of Bulgaria, my Delegation believes that any such divisions are nonsense and a mere play on slogans. For example, there are industrialized countries with socialist economies, capitalist countries with agricultural economies, socialist economies that are under-developed, under-developed countries that are capitalist but industrialized, under-developed countries that are socialist but agricultural. I could go on and on, Mr. Chairman, to show conclusively that it is neither possible nor profitable to suggest that there are clear-cut divisions of interest between specific groups of countries. Developed countries of all types have a common concern with under-developed countries, to promote overall economic development.

In this connection, I hope it will not be misunderstood when I say that Canada, like other countries, has heavy internal and international responsibilities which have some effect on its ability to assist in progress to rapid world economic development. For example, not long ago it became clear that the Canadian authorities were not being able to meet all the requests being made to us for technical experts in some engineering fields. The reason for this difficulty was, of course, that such personnel are in immediate and urgent demand in Canada, and that it was not possible to find as many of them for service abroad as we would have wished. Mr. Chairman, we can't give what we haven't got.

In the statement which the Canadian Delegation made during the General Debate, reference was made to the role in the United Nations of the lesser or middle powers of which Canada is one. The Canadian Delegation suggested that there was an important part to be played by the lesser powers in UN affairs, when they acted with a recognition of their responsibilities. If, on the other hand, they concern themselves only with national, group or racial interests then the chances of useful co-operation with the great or super powers will be diminished. There are important areas in which the lesser powers can help in developing constructive programmes for the improvement of conditions in the less-fortunate areas of the world. My Delegation believes that the emphasis must be placed on co-operation arising from a recognition of mutual self-interest, if constructive advances by the United Nations in the economic aid field are to be made. In our country there is a saying. "You can lead a horse to water but you can't make him drink." Passing resolutions that do not carry those middle and great powers whose support is essential will not always achieve the desired results.

Another general question which I emphasized in my speech on the United Nations Technical Assistance Programmes is the importance which the Government of Canada attaches to the joint implementation of economic development programmes. Economic aid

should not be regarded as a one-way street. Both the donor and the receiving governments have important financial responsibilities. What is more, external aid can, in the final analysis, provide only a minor proportion of the total resources, administrative and financial, required for rapid economic development. I believe that this is as the under-developed countries themselves would wish it. Theirs is the major role, ours is the minor role. They do what needs to be done with our help and thus learn to do it in time without our help. Mr. De Seynes has suggested that it is natural to think that the major economic burden of changing conditions in the world should be borne by those best equipped to do so. In my view each country is best equipped to change its own conditions of economic under-development, there being ample scope and necessity for assistance from abroad. Self-help is the best help.

I would now like to turn to the question of the motives which underline foreign economic assistance. Why are the countries of the West assisting the countries of Latin America, the Middle East, South and South-East Asia and other areas? It is really not good enough even to be right for the wrong reasons. I believe the so-called developed countries should carefully analyze their motives in providing economic assistance and as clearly as possible express these motives so that the under-developed countries can understand the reasons for which this assistance is being offered. Mr. Pearson has said "We cannot purchase reliable allies or real friends and we should not try to do so." The relationship between the helper and the helped is a difficult and complicated one. As Shakespeare put it "Neither a borrower nor a lender be, for loan oft loses both itself and friend". I expect many will have read Milliken and Rostov's study of a new United States economic policy. In that paper a similar analysis is put forward which comes to the conclusion that economic aid should not be designed or expected to make friends. It is equally clear that economic aid should not be intended to result in a copying by the receiver of the economic or political policies of the donor. So far as Canada is concerned, we cannot do better than to quote Mr. Pearson again:

"The genuine desire of Canadians to help others who are less fortunate, the recognition that the more quickly other people's standards of living rise the better off we shall all be, the conviction that economic and social progress are essential to a durable peace, the judgment that the resources of most of these countries are capable of supporting a fuller and richer life, the evident effort which the people of these countries are themselves making to improve their conditions, and the sympathy which we as citizens of a relatively young country feel with those who are trying to establish their own nations on a new and durable basis -- all of these seem to me to be solid and fundamental reasons for providing assistance."

If we do not have clearly in mind why we are providing economic aid or if we provide it for the wrong reasons, I have come to the conclusion on the basis of my short experience here that the peoples of the under-developed countries will be the first to recognize our error. They neither ask for alms nor charity and nothing we give is given in that spirit. We recognize their rightful insistence on the equality of peoples and the management of their own resources without interference. We hope our assistance will serve as a bridge of understanding and freedom between peoples of different races, outlooks and traditions.

International economic assistance is a new idea. The free giving of aid from one sovereign country to another sovereign country is a recent development and can almost be considered to have begun after the end of the Second World War with the generous programme of assistance to Europe which is known as the Marshall Plan. It is important, therefore, to maintain and protect this new idea in the hope that it will develop into a secure basis for international co-operation, and peaceful progress.

I would also like to suggest on the basis of Canadian experience that the giving of economic aid brings benefits to the giver as well as to the receiver. For Canada the economic benefits of the aid programmes we have undertaken have been marginal in the extreme. Much more important has been the understanding of the problems of many areas with which my country would not have been closely connected had there been no programmes of assistance to the less-advanced countries. Canadians have found that they have a great deal to gain from contact with the ancient cultures of Asia for example, and that these benefits are real and important.

Other delegations have suggested that this debate on economic development should consider whether economic assistance should be given multilaterally through the United Nations or bilaterally. (When we come to a discussion of SUNFED my Delegation will suggest that sharp distinctions between these various forms of assistance need not be drawn. Canada has been happy to participate in a number of bilateral economic aid programmes arranged under the canopy of the Colombo Plan. It is probable that bilateral aid programmes will continue to form the largest source of economic aid to the under-developed countries. It should also be recognized that in bilateral economic aid programmes, individual projects are selected and carried out on a co-operative basis. The receiver has comparable responsibility with the donor.

However, as Mr. Pearson has stated, "It is also very important that the United Nations should be brought more closely into the international economic assistance picture. If the United Nations can play an increasing role in this field, we can, I believe, avoid an unhappy situation in which international aid becomes a source of competition amongst some and a cause of suspicion among others". The Canadian authorities have noticed an increasing interest in multilateral rather than bilateral programmes and for this reason Canada accepted election to and participated actively in United Nations bodies directly concerned with problems of

multilateral economic aid. However, as we have seen recently in this Committee and in the Economic and Social Council, a purely UN multilateral fund involves important concessions on the part of both donor and receiver.

Proposal for UN Economic Registry

I now turn to the resolution which you have before you and which has been sponsored by Canada and Norway. what will be the purpose and relation of this resolution and the study for which it provides at future discussions of economic development in the United Nations and ECOSOC?

At each meeting of the Second Committee and the Economic and Social Council, the economic development of the under-developed countries is the most important subject. The Secretariat prepares various papers for the debate, including a world economic survey. There is also a United Nations survey of the international flow of private capital and there are reports of the progress made on all the various United Nations programmes of economic aid. An extended discussion of the possibilities for the establishment of a special United Nations fund for economic development also usually takes place. In these discussions there has never been, up to the present time, any general survey concerning all the economic aid programmes. Our resolution would provide for a general study which should make it possible for United Nations discussions of economic development in the future to take into account all the various aspects of the subject and of the scope and nature of the questions still to be settled. At present our right hands seldom know what our left hands are doing. Our suggestion is designed also to facilitate co-ordination between aid programmes, by providing information which will be useful to those countries who are able to undertake such programmes. Surely a better knowledge of all existing programmes of economic aid will also be of assistance in discussing the programmes of economic assistance on which the United Nations is now engaged. We think the time has come to place all our cards on the table - face up.

It has been suggested that a good deal of the information which the Secretary-General would include in the proposed survey is already available. Certainly a number of studies for particular purposes and of particular regions have been carried out by various public and private organizations. I do not suggest for a moment that when this resolution is passed the result will be any immediate addition to the resources of economic aid now available to the under-developed countries. What I do suggest, however, is that it will be useful to know what these resources are and how they are being used.

The resolution itself is largely self-explanatory. A few specific comments might, however, be useful.

The first paragraph, I believe, very clearly reflects the purpose of the resolution. In fact my Delegation was surprised to find how directly Articles 55 and 56 of the Charter of the United

Nations apply to this particular question. This resolution is designed to promote the co-operation, both joint and separate, for the promotion of the economic development of the under-developed countries which is described in Article 56.

The Secretary-General is asked to make a preliminary factual survey of international economic assistance. This is to be mainly a statistical survey. The Secretary-General is asked, however, in the light of his experience with this preliminary survey, to report on the most suitable methods for carrying out such surveys. We have left it to the Secretary-General to collect the necessary data. The Secretary-General would, therefore, be expected to prepare a statement of the grants, the loans, the technical assistance; in short, the assistance which could be appropriately classified as economic aid for this purpose. In making this survey he is instructed to use the readily available governmental and intergovernmental information, and to concentrate on the three-year period ending December 31, 1956. We would also expect that, while the Secretary-General would not list individual projects in his report, he would give us some indication of the type as well as the amount of aid involved, and of the economic sectors in which this aid was used. The Secretary-General is to submit this survey to the 24th Session of ECOSOC. This does not give the Secretariat very much time but past experience allows us to expect a comprehensive and useful document by that time. It would then be for the Economic and Social Council to consider what further action it should take.

The final paragraph calls upon member governments and specialized agencies to co-operate with the Secretary-General as may be necessary in implementing this resolution.

I trust all Delegations will appreciate the spirit in which the Canadian and Norwegian Delegations have brought this economic Registry idea forward. It is difficult to see how any suggestion which will make UN discussion of assistance to under-developed regions more profitable could fail to obtain the unanimous support of this Committee.

My Delegation regards the discussions of the economic development of the under-developed countries as the most important subject before the Second Committee. I join with others in hoping that the United Nations can contribute to the solution of the immense tasks before the less-fortunate areas of the world which have fired the imaginations of all the peoples engaged in the common tasks of raising living standards and promoting stability and peace.

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No. 57/6

QUESTION OF RACE CONFLICT IN SOUTH AFRICA

Statement by Mr. Robert Ford in the Special
Political Committee of the United Nations
General Assembly, New York, January 16, 1957.

My Delegation's views on the question of race conflict in the Union of South Africa have been stated fully at previous sessions of the General Assembly. On this occasion, I should like only to restate briefly the Canadian attitude to the question before us, in order particularly that new members of the organization, joining in the deliberations of this question for the first time, may not be left with any misunderstanding of our views.

I should first like to make very clear to members of the committee that we have no sympathy with policies of racial discrimination wherever they may be practised. In reference to the racial situation in South Africa, we have always endeavoured to keep in mind that the Government and people of South Africa are faced by a formidable and difficult racial problem to which there is no quick and easy solution. We in Canada, however, have grave doubts about policies and practices adopted to meet the problems of a multi-racial society which are based on notions of the racial superiority of one group within the society - notions which we believe to be false. It seems to us that discrimination is more likely to aggravate than to solve the underlying problem. We cannot ignore the fact, furthermore, that policies of racial discrimination are inconsistent with the basic principles of human rights which underlie the Charter of the United Nations.

Having said that, I must also explain that, while we have never objected to discussion of the question of race conflict in South Africa by the General Assembly, we have in the past expressed strong doubts regarding the competence and usefulness of action taken by the General Assembly in its efforts to solve this problem. As consideration of this issue continues from session to session without any progress towards the solution of the problem, my Delegation becomes more and more of the opinion that this kind of intervention by the United Nations into matters

of domestic concern of a member country not only has grave constitutional implications for this organization, but has little practical value.

As far as we can see, far from bringing about a change in the attitude of the South African Government to its policy of apartheid, United Nations action over the past several years has tended only to harden the attitude of the South African Government and has led to no amelioration of the situation in South Africa, which has surely been the aim of these discussions. United Nations action has, as well, caused the South African Delegation to withdraw from our deliberations. In his statement yesterday, the distinguished representative of Japan reminded us that - to use his words - "The situation thus created is not only harmful to the prestige of the United Nations, but also is paralyzing the peaceful and friendly discussions and jeopardizing as well a sober solution of this particularly delicate problem." We fully endorse the view of the distinguished representative of Japan, that - and again I quote - "This is certainly not conducive to the creation of international conditions propitious for the furtherance of the principle we stand for."

The moral opinion of the world may yet have some influence on the Government of the Union of South Africa to moderate its racial policies, but it is evident to us that an organization of sovereign states, which does not respect the sovereignty of a member state, will make little impression upon a government which chooses to attend to its own affairs without need to the advice of other governments.

Mr. Chairman, we have carefully examined the draft resolution sponsored by Iran, Iraq, Haiti, Greece and Ceylon which is now before the committee, with full appreciation and sympathy for its sponsors' concern with the continuation of discriminatory policies in a multi-racial world. At the same time, however, my Delegation does not find it possible to disregard its doubts regarding the constitutional implications of the resolution before us nor its doubts regarding the usefulness of this Committee's approving such a resolution. In these circumstances, Mr. Chairman, the Canadian Delegation will be unable to support the joint draft resolution when it is put to the vote. We shall be pleased to study the Philippine resolution carefully and may express our views on it later.



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No. 57/7

MIDDLE EAST

Statement by the Hon. L.B. Pearson, Secretary of State for External Affairs of Canada and Chairman of the Delegation, in the Plenary Session of the United Nations General Assembly, New York, January 18, 1957.

The Assembly has before it a statement of the factual situation regarding the withdrawal of Israeli forces (Document A/3500 of January 15), which withdrawal is now well on the way to completion.

We have also before us a resolution (A/3501/Rev 1 of January 17), which reaffirms previous resolutions concerning withdrawal. This resolution is moderate in character and unprovocative in tone and our Delegation will support it. It notes with regret and concern the failure of Israel to comply with the terms of the earlier resolutions passed in the Assembly on this subject. It requests the Secretary-General to continue his efforts to secure the complete withdrawal of Israeli forces and to report on the matter to the General Assembly within five days. The words of the resolution are quite clear in this regard.

We share with other delegations the regret that a situation has arisen in which compliance with the earlier resolution on withdrawal has not yet been completed.

But we would also regret and be concerned about a withdrawal merely to the old state of affairs. We recall at this time that the earlier resolutions--in accordance with the terms of which Israeli forces are to withdraw--dealt with matters other than territorial withdrawal, but matters which are related to this essential step.

Therefore I hope the Secretary-General, in his efforts which we support to bring about compliance regarding withdrawal will, in the further reports which he is to make to us, give consideration to ways and means of securing and stabilizing through United Nations action the situation after the withdrawal has taken place and pending a political settlement which alone can establish real and lasting peace and

security in the area. Surely there must be no return to the conditions, if we can avoid it, which helped to provoke the initial military action. That has been the position of our Delegation from the very beginning of the Assembly's consideration of this grave question.

I said on the night of November 1-2:

"The armed forces of Israel and of Egypt are to return to the Armistice lines, where presumably ... they will once again face each other in fear and hatred ... What then, six months from now? Are we to return merely to the status quo ante? Such a return would not be to a position of security, ... but would be a return to terror, blood-shed, strife, incidents, charges and counter-charges, and ultimately another explosion."

That remains our feeling on this matter. This feeling has also been reflected in resolutions on this subject which the Assembly has already passed and which Canada has supported.

It is an essential part of our work, then, not only to bring about a military withdrawal, but also to do what we can to avoid the restoration of a situation of disturbance, unrest and incidents which might require the United Nations to intervene all over again in the future in order to stop new fighting. The Secretary-General's report recognizes this danger. It refers to the resolution of November 2 which states the obligations of the parties to withdraw but which requires them also "to desist from raids across the armistice lines and observe scrupulously the provisions of the Armistice Agreements". It refers also to the resolution of November 4, which goes beyond mere withdrawal.

Furthermore, as the Secretary-General states, certain of those related aspects of compliance will assume added importance once the military withdrawal is effected. Even now, however, we cannot, I suggest, ignore these related aspects in dealing with this question. Therefore, in asking the Secretary-General to report back, it is my hope that he will report on those other matters with suggestions to the Assembly on what can and should be done.

The Secretary-General has already indicated that study might be given to the "question of the extent to which UNEF might assume responsibilities so far carried out by the Truce Supervision Organization". That truce organization certainly has not itself the power or authority effectively to interpose itself between the forces of the two conflicting parties. The UNEF, however, would now be effective for this purpose and, following closely the Israeli forces, could be deployed in the area of the demarcation line from the Mediterranean to the Gulf of Aqaba, where it would function in order to prevent incidents, to keep the peace, and to make "secure"

the cessation of hostilities that has already been brought about by United Nations action. In so doing it would facilitate the compliance of the parties concerned with other relevant U.N. recommendations which have been or may be passed.

The Secretary-General notes that the withdrawal of the Israeli forces has not yet extended to those forces in the Gaza Strip. There, as we know, the situation regarding territorial sovereignty, density of population, and refugees differs from that in the areas of Egypt from which withdrawal has taken place.

Perhaps in his next report the Secretary-General might also indicate his views as to how the United Nations might assist in stabilizing this area and ensuring that it will not be used as a base for attacks and incidents, or as a target for retaliation. In this way also United Nations action might help to prevent a recurrence of hostilities.

The Secretary-General has also raised the question of "international significance of the Gulf of Aqaba, which he thinks "may be considered to justify the right of innocent passage from the Straits of Tiran and the Gulf, in accordance with recognized rules of international law". The uncertainty of the situation here and the unrest and fears arising from it have been and remain very disturbing factors. Therefore, this situation should, I think, also be considered by the Assembly and action taken to avoid trouble in the future. The withdrawal of Israeli forces from Sharm al Shaikh, which is a strategic and important position for controlling the Straits leading to the Gulf of Aqaba and navigation through them, might be followed by the posting of observers from UNEF at that point to assist in securing the peace and keeping navigation open, pending the determination of the legal and other issues involved.

In short, our view is that this Assembly, in its efforts to achieve complete withdrawal of Israeli military forces behind the demarcation line, as a matter of priority, has also an obligation to deal urgently and immediately with these other matters. The Secretary-General points out in his report that there is such an obligation.

"The Assembly, in taking this position, in no way disregarded all the other aims which must be achieved in order to create more satisfactory conditions than those prevailing during the period preceding the crisis. Some of these aims were mentioned by the Assembly. Others are to be found in previous decisions of the United Nations. All of them call for urgent attention. The basic function of the United Nations Emergency Force, "to help maintain quiet", gives the Force great value as a background for efforts toward resolving such pending problems, although it is not in itself a means to that end.

"It is essential that, through prompt conclusion of the first phases of implementation of the General Assembly resolutions, Member Governments should now be enabled to turn to the constructive tasks to which the establishment and the maintenance of the cease-fire, a full withdrawal of forces behind the armistice lines, a desisting from raids and scrupulous observance of the armistice agreements, should open the way."

The cease-fire that has been achieved and the withdrawal of the forces which is being achieved, will have opened the way to the attainment of these other indispensable objectives. Therefore, I hope that the Secretary-General in his report next week will give the Assembly his views on how we might take advantage here of the opportunity that is being afforded us. Our hope is that these various moves will bring about some security and relief from tension in the areas concerned. Such improvement is required not only to prevent a further armed conflict, but in order to create conditions and the atmosphere which is so essential if an enduring, honourable and peaceful settlement is to be achieved.

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No. 57/8

DISARMAMENT

Statement by the Hon. L.B. Pearson, Secretary of State for External Affairs and Chairman of the Canadian Delegation, in the First Committee of the United Nations General Assembly, New York, January 21, 1957.

We are once again engaged in what must seem to many one of the most unrewarding activities of the United Nations, discussing ways and means of reducing arms in a climate of international fear, tension and insecurity. This climate is indeed, and the conditions which produced it, the main reason why, in spite of a rather bewildering array of proposals and counter-proposals, we are still far from our goal of agreement on the major steps of a substantial disarmament programme. I think, however, that we have made some progress to that goal.

There should be a special incentive for such progress in the realization that as the years go by without reaching agreement, the problem becomes more and more complicated and difficult, particularly with respect to the question of nuclear weapons. As the destructive power of these weapons increases and as the stockpiles grow, the obstacles in the way of an adequately safeguarded disarmament scheme are magnified. Nevertheless, our long, drawn-out negotiations on disarmament have been worthwhile. This persistent debate conducted in various bodies of the United Nations over the past ten years has at least ensured that the major powers have maintained steady contact on this subject and that world public opinion has been kept fully aware of the catastrophic consequences of the use of the arms we are trying to eliminate or reduce.

It is true that conflicting points of view have generally been held so tenaciously that by the time any particular agreement on disarmament seemed to be emerging, the underlying conditions have often been changed to such an extent that the problem has had to be faced again in different terms. For example, Mr. Moch, who has made such an outstanding personal contribution to this long search for security through disarmament, warned us repeatedly in the past that unless agreement was soon attained it would become virtually impossible to devise a control system adequate to allow a secure and safeguarded prohibition of atomic weapons.

And now we have reached the point - if not of no return, at least of no return to the possibility of accounting accurately for past production of nuclear weapons material, and of bringing it under international control.

However, I repeat that there has been some progress. On certain fundamentally important matters of principle the position of the major powers concerned is now less opposed. I have in mind, for example, the fact that the Soviet Government no longer calls for unconditional preliminary banning of nuclear weapons, but recognizes that measures of nuclear disarmament must be related to measures of conventional disarmament. There has also been a lessening of the differences of view as to the levels of forces of the great powers.

On the crucial matter of adequate and effective inspection and control of disarmament measures, the absolutely indispensable condition to an acceptable disarmament agreement, there has likewise been some progress. As a result of the discussions of the past year it is now, for the first time, possible to say that there is general agreement that the international control organization should have representatives established in the territory of the states concerned before disarmament actually begins, and that these control officials should remain in place throughout the duration of such disarmament agreement. In its latest proposals, the Soviet Delegation has also apparently accepted at least the principle of aerial inspection as one of the attributes of the control organization. While it is true that this reference to aerial inspection is by no means without limitations and conditions, we certainly welcome the fact that the Soviet Government has at least agreed, even if only in principle, to such inspection.

It is also my impression that in the last year or so there has been a growing realism in disarmament discussions. There has been considerably less tendency to advance proposals which, like the unconditional banning of the bomb, were recognized even by their advocates as quite unacceptable to other powers involved and were put forward for purposes which had little to do with disarmament or security. I think it is also increasingly recognized and accepted that disarmament measures must contribute to the security of the major powers concerned, and must not weaken the defensive position of one country relative to another. Governments must take very seriously their primary duty to defend their own people, and they must be convinced that disarmament measures are satisfactory from this point of view.

Turning now to the present discussion in the Political Committee, I should like first of all to welcome the moderately worded, businesslike and hopeful statement with which the distinguished representative of the United States opened the debate. I do not wish, at the present time, to go into the detail of the proposals of the United States, although I do wish to welcome this latest contribution to our negotiations.

As Mr. Lodge pointed out, further details of these proposals will be developed in the sub-committee, and I would comment now that it seems to the Canadian delegation that this new presentation of United States proposals is a valuable step forward in the process of negotiation. As we understand it this is not a rigid, detailed programme of disarmament; it is rather, a broad outline of the present United States position, realistically stated in the light of all the present conditions, and intended as a basis for further negotiation.

The dismal contrast between this opening United States statement and the intervention immediately afterwards by the distinguished representative of the U.S.S.R. must have been painfully apparent to everyone. Mr. Kuznetsov devoted nearly half of his statement to an intemperate and irrelevant attack on the policies of certain governments, notably that of the United States. It is very much to be regretted that the Soviet Government thought it necessary or wise to initiate the disarmament debate in a way which made it difficult to conclude that that Government had any immediate serious intentions to co-operate constructively in this matter. The chances for fruitful progress were damaged by this Soviet verbal assault, but the subject is one of such vital importance that we must, nevertheless, not be deterred by it from continuing our negotiations and discussions.

That portion of the Soviet statement which did deal with disarmament was, in the main, based directly on the latest proposals of the U.S.S.R. which were circulated on November 17, at a time when the attention of the world was focused more on the use by the U.S.S.R. of its arms to crush Hungarian patriots, than on Soviet proposals for disarmament.

As my Delegation indicated in the general debate at the opening of this Session of the General Assembly, we are prepared to give careful and objective consideration to the latest Soviet proposals. I have already indicated that, so far as it goes, we welcome the new Soviet position on aerial inspection, even though the particular limited application of aerial photography proposed by the U.S.S.R. may involve some serious difficulties, including the implication of the continued division of Germany. The Soviet Government also continues to propose the complete prohibition of nuclear weapons in spite of the fact that according to an explicit statement of the Soviet Delegation itself; it is not, at the present time, technically possible to devise any adequate system for inspecting such a prohibition. Incidentally in view of Soviet attacks on the pacific intentions and the good faith of Western powers, their confidence in the willingness of those powers to make effective such an unconditional, uncontrollable prohibition is as surprising as it is unconvincing.

We have also noted with interest the statement on January 15 of the distinguished representative of the United Kingdom, who indicated that while his Government stands by the comprehensive Anglo-French plan, it is also prepared to consider measures of partial disarmament as a first step to enable disarmament to get underway.

The distinguished representative of Yugoslavia reiterated in his statement the view of his Government that pending agreement on general disarmament we should seek early agreement and implementation of such initial measures as are now feasible. This is a point of view which has been advanced with some frequency in the last year or so and I believe that it has considerable merit. While disarmament cannot be dissociated from other international political problems which we face, it is true that large scale armaments are themselves an important source of international tension, particularly in view of the terrible destructiveness of modern nuclear weapons. I therefore agree that some start towards disarmament, however limited, might well have a salutary effect both on the international situation and the prospects of further disarmament.

We are certainly not all in agreement, Mr. Chairman, on the substance of our disarmament programme. Nevertheless, I am sure we all agree that the United Nations must carry on with its negotiations for such an agreed programme. We shall therefore shortly have before us a draft resolution, jointly sponsored by a group of countries including Australia, Canada, El Salvador, France, India, Japan, Norway, United Kingdom, United States and Yugoslavia.

This resolution does not seek to impose on any government, any policy or programme with which it is unable to agree. It is based on a realistic acceptance of the fact that disarmament can be achieved only by negotiations and willing agreement. It cannot be legislated or imposed, however impressive the majority in votes may be for any particular plan.

The resolution which I recommend to the Committee, therefore, does not discriminate against any particular proposals in favour of others. It commits us only to renew the negotiations in the established United Nations disarmament bodies, and to carry them forward with persistence and good faith. It embraces all the proposals which have been made since the 10th session of the General Assembly, whether here in the Assembly or in the Disarmament Commission or its sub-committee, and a report, by a stated time, to the Commission which will then, of course, report back to this Assembly.

I trust, Mr. Chairman, that this resolution will receive overwhelming support; indeed that it will be unanimously adopted. This would give us the best possible basis on which to continue the desperately urgent effort to reduce the arms burden, and, eventually, we hope, to eliminate the terrible threat of thermonuclear war.

I now wish to turn to one particular aspect of the armament question which has become a cause of considerable concern and anxiety to many people. I refer to the effects of atomic radiation and particularly to the possible consequences of nuclear test explosions. In his statement in the general debate at the beginning of this session of the Assembly, the Foreign Minister of Norway proposed that there should be established some system of United Nations registration of nuclear test explosions. In the present debate in the Political Committee we have heard with serious concern and with sympathy the moving remarks of the distinguished representative of Japan. The representative of the United Kingdom also touched on this matter. He suggested that the disarmament sub-committee investigate the possibility of agreeing on the limitation of nuclear test explosions either as part of a disarmament plan or separately. We also have before us the proposal tabled by the representative of the U.S.S.R. calling for a cessation of tests of these weapons.

The Canadian Delegation included some comments on this question in our statement in Plenary in the general debate on December 5, and our position remains as set forth in that statement. While it may not be realistic to propose an immediate ban on all such tests, nevertheless we are of the opinion, after weighing the best scientific evidence available to us - which is by no means complete or conclusive - that the United Nations must give close and serious consideration to the whole question of nuclear tests. Last year the General Assembly established a scientific committee on the effects of atomic radiation, the duty of which is to keep under close observation the whole problem of the levels of radiation and possible effects on man and his environment. We look to this committee, as it accumulates the data supplied to it and makes its analysis and assessments, to serve an important role. It could be the source of objective and valid scientific conclusions which could aid all concerned in avoiding decisions or action which might prove harmful.

In any agreement on nuclear tests we must be guided by two considerations: first, the necessity of securing authoritative, accurate information on the effects of such tests, scientifically and objectively determined; and second, the requirement to give reasonable satisfaction to the needs of defence in a dangerously divided world!

In our earlier statement to the Assembly, which I have mentioned, we expressed the hope that the countries concerned might be able to agree on some annual or periodic limit on the volume of radioactivity to be generated by test explosions. One of the recommendations of the proposed draft resolution of which I have just spoken is that the Disarmament Commission and its sub-committee give prompt attention to the whole problem of measures for cessation or limitation of nuclear test explosions.

There is, however, a further draft resolution before the committee which deals only with the question of advance registration of nuclear test explosions, that is to say, with the proposal made in Plenary by the Foreign Minister of Norway. This resolution stands in the name of Norway as well as of Japan and Canada.

The proposal incorporated in this resolution is inspired by a belief that it may be better to do now what is possible and feasible with respect to nuclear test explosions, rather than to do nothing at all because it is not possible to take more far-reaching action. If a proposal of this kind can be worked out, we would, for the first time, have moved, if only one step, away from dead centre on this whole problem.

Our resolution recommends that urgent attention be given to establishing, as a preliminary step, a system for registration with the United Nations of nuclear test explosions. The resolution also requests the Secretary-General and the Radiation Committee to co-operate with the states concerned in this registration system with a view to keeping under constant observation the world situation regarding present and expected radiation. This would, I repeat, be only a preliminary step, but I am certain it would be an important preliminary step and I hope that it too will be given most serious consideration.

In conclusion, I hope that all the proposals that have been submitted to this Committee will be referred for early and effective action to the United Nations Commission which has been set up for that purpose.

I do not need to emphasize to this Committee the gravity of the problem. Man has now developed weapons capable of his own complete destruction.

If he does not bring and keep them under control and, even more important, bring about a state of affairs where their use would be unthinkable and impossible, then life on this planet will indeed soon become--in the words of the English philosopher "nasty, brutish and short".

S/c



STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 57/9

PROBLEMS IN THE MIDDLE EAST

Statement made in the United Nations General Assembly January 29, by Mr. L. B. Pearson, Chairman of the Canadian Delegation.

I would like to say a few brief words on the problem that we have been discussing and at the same time to reserve the right to speak again when perhaps we will have some resolutions, or at least one resolution before us which deals with this subject. The problem, Mr. President, with which we have been dealing is coming to a head with consequences of vital importance to us all and perhaps even for international peace. As I see it, it is a problem not only of the completion of the withdrawal of the Israeli forces, though that is first in order of priority. It is a problem not only of making arrangements for security in the unsettled areas concerned or for free navigation but of making, I hope, constructive arrangements here which will be agreed on in this Assembly, but which would take effect only after Israel had accepted the decision of the United Nations to withdraw.

If Mr. President, we take the position that the United Nations cannot even discuss these related questions at this time - these questions of arrangements along the lines that I have just indicated - then we cannot begin to consider these questions until after withdrawal plans have been completed. If we cannot consider them or take a decision on them now, or immediately after the time we have taken a decision here on withdrawal, even if that decision is not to be implemented until after withdrawal itself, then I believe certain delegations will have great difficulty in accepting that position in regard to the relationship, or if you like the non-relationship, between these two problems.

If, on the other hand, Israel does not agree to complete an immediate withdrawal, or to proposals for a reasonable solution of the related problems, proposals which would be acceptable to this Assembly, then there will be no peaceful settlement of these problems, and Israel would be in a position of having taken the responsibility of rejecting decisions of the United Nations and remaining where she is without any international support and indeed in the face of an international decision. I suggest, Mr. President, we must do our best to avoid

both these negative results by rejecting both these extreme positions. I believe we should take this middle position not in the interest of any one state and certainly not to reward or approve any action taken by any state which we have already condemned, but I suggest we should follow this course in the interest of peace and security.

Certainly Israel has no right to attach her conditions to withdrawal of her forces, but as delegations to the United Nations Assembly we have, I think, the right and indeed perhaps even the duty to relate these two positions in a way which will make impossible in the future the kind of situation which we have been facing in the last two or three months. I believe as delegations we have, at least my delegation thinks it has, the right to feel that our attitude towards the one problem must be influenced by the attitude of the Assembly towards the other problem. Failure to agree on a middle course of this type would mean perhaps, indeed probably, failure to agree on any course. That would mean deadlock and the return not only to the unhappy conditions but to conditions that might be even worse and even more dangerous to international peace and security. It would have also consequences for this organization which might be far reaching. I know that you will agree that it is our responsibility to avoid this disastrous result, which surely no one wants.

The Secretary-General's report which we have before us, and which we have been considering, shows the way out of this deadlock. He has given his views, sane and reasonable, I think, on the steps which should be taken after withdrawal but which perhaps we can approve now. These steps must be taken within the limits fixed by previous resolutions and decisions of the United Nations which until we alter them remain in effect. His report emphasizes, rightly I think, that action through the recommendations of this Assembly should be contrasted with decisions of the Security Council under Chapter VII of the Charter; Assembly recommendations require for their implementation the consent of the parties concerned.

The main argument of the Secretary-General's report is that we must return to useful implementation of the Armistice Agreement of 1949, but that this should be joined with United Nations action to secure and supervise such implementation, something which has been absent in recent years. This requires that we take action for ensuring implementation. The mere injunction on the parties concerned to observe the Armistice Agreement in its entirety may not prove to be very effective. The Secretary-General said on page 5 of his report:

"...There is universal recognition that the condition of affairs, of which this deterioration formed part, should not be permitted to return. Renewed full implementation of the clauses of the Armistice Agreement obviously presumes such an attitude on the part of the governments concerned, and such supporting measures as

would guarantee a return to the state of affairs envisaged in the Armistice Agreement, and avoidance of the state of affairs into which conditions, due to a lack of compliance with the Agreement, had progressively deteriorated."

Compliance with the Armistice Agreement is in our view as important as compliance with the recent resolutions on withdrawal and with other types of resolutions we have adopted, though any effort to bring about that larger compliance, I repeat, should be consequent to our decision on withdrawal. But that compliance, I repeat, should be in accordance with all the provisions of the Armistice Agreement, Article I as well as Articles VI, VII, and VIII. Such full implementation, supervised and secured by the United Nations, would, the Secretary-General tells us, have an important and positive bearing on other problems in the region, and I certainly agree with that.

Therefore, Mr. President, I venture to suggest that we might consider proceeding as follows. First, the withdrawal of Israeli forces should be discussed and decided; then immediately we should discuss and decide on a resolution which would include as its basic principle that the withdrawal of Israeli forces must be followed immediately by action which would represent real progress towards the creation of peaceful conditions in the region, action which in our view, is necessary to accomplish that essential result.

I suggest, Mr. President, for consideration by the Assembly that certain ideas might be worthy of inclusion in any resolution which we may be discussing. I think that the two parties concerned, Egypt and Israel, should be called upon by this Assembly to observe all the provisions of the 1949 Armistice Agreement and to refrain from all acts of hostility, including the exercise by either party of any claim to belligerent rights. I think that the Secretary-General might be instructed to make arrangements, after consultation with the parties concerned, for the deployment of the United Nations Emergency Force on both sides of the demarcation line and in the Gaza strip, in order that this force, which is our own creation and which is effectively functioning in the area in the interests of peace and security, might assume the supervisory duties of the United Nations Truce Supervision Organization; prevent incursions and raids across the demarcation line, and maintain peaceful conditions along the line. I believe that Egypt and Israel, to assist in this essential work of the UNEF, should be requested to remove from, or limit their military forces in, these areas of deployment which would be defined. I think that the United Nations should be associated with steps to replace the present civilian administration of the Gaza strip and to ensure that that area will not in the future be used as a base or as a target for raids or retaliations. I believe that it would be wise to take appropriate steps to determine legal positions in the Gulf of Aqaba and the Straits of Tiran but that, pending this determination, the parties should be called upon to give

assurances that they will not assert or exercise any belligerent rights in these waters or interfere with navigation in them. And then I think that the Secretary-General, on whom we seem to be placing great burdens of responsibility these days, should be authorized to arrange for a unit or units of the United Nations Emergency Force, after the withdrawal of Israeli forces, to be stationed at some point in the Gulf of Tiran to assist in the establishment and maintenance of peaceful conditions in that area. In this connection, Mr. President, may I quote, because I think that this paragraph is important and I agree with it, what Mr. Lodge said yesterday:

"We believe that it is essential that units of the United Nations Emergency Force be stationed at the Straits of Tiran in order to achieve there the separation of Egyptian and Israeli land and sea forces. This separation is essential until it is clear that the non-exercise of any claimed belligerent rights has established in practice the peaceful conditions which must govern navigation in waters having such an international interest. All of this would, of course, be without prejudice to any ultimate determination which may be made of any legal questions concerning the Gulf of Aqaba."

I hope, Mr. President, that the agreed solution can be reached along these lines. The alternative to non-agreement is so threatening to peace and security that we are bound to put forward every effort with sincerity and determination and goodwill to reach an honourable, peaceful and agreed settlement.

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No. 57/10

NATO AND WESTERN UNITY

Text of an address by Mr. L. B. Pearson,
Secretary of State for External Affairs of
Canada, to the American Council on NATO,
Waldorf-Astoria Hotel, New York, January 29,
1957.

Lately the world's attention has been centred upon the United Nations, and in this past week or so I personally have been much more involved in United Nations affairs than I have in those of NATO. This, of course, is because we have been trying, through the United Nations, to ease the critical situation in the Middle East. That is an area that may not technically be within the NATO Treaty limits, but what happens there is certainly of vital concern to NATO.

The United Nations is important; very important. I don't think we could do without it. But as long as it remains an imperfect instrument for peace - especially as long as there is a "double standard" in its membership with respect to compliance with its resolutions - NATO is essential as a deterrent and a shield against aggression. I am very glad, therefore, to have this opportunity to meet and talk with a group concerned with the Atlantic Alliance, which remains the effective basis of our policy of collective security, and will remain so until the United Nations can discharge that responsibility on a wider basis.

I'm sure it would be profitable neither to you nor to me, or to enlightenment on the subject, if I were to try to talk about NATO from the military point of view. There is some one here much better qualified than I to do that - in fact, the one person most qualified to do so. So I will confine myself to the non-military aspect of the Alliance, which, if not so immediately important, is basic to the success of NATO.

As a son of the personage, I find the tradition of speaking to a text a useful one, and the text I should like to offer tonight is from the Report of the Committee of Three on Non-Military Co-operation in NATO, which was published last December. The passage appears in the introductory section of the Report, and reads as follows:

"The fundamental historical fact ... is that the nation state, by itself and relying exclusively on national policy and national power, is inadequate for progress or even for survival in the nuclear age. As the founders of the North Atlantic Treaty foresaw, the growing interdependence of states, politically and economically as well as militarily, calls for an ever-increasing measure of international cohesion and co-operation. Some states may be able to enjoy a degree of political and economic independence when things are going well. No state, however powerful, can guarantee its security and its welfare by national action alone".

NATO's First Task

If I may be pardoned a certain pride of co-authorship, I believe that passage expresses pretty clearly the basis of NATO and the principles upon which it must live and grow. It leads inevitably to the conclusion that the first task of NATO is to look to its internal strength - military and diplomatic - and to its unity. I would like to go on from there to some more particular thoughts, particularly about unity, without which our strength will not be sufficient. That unity, moreover, must be based on something deeper than defence co-operation alone if it is to survive. As we wrote in our report, "there cannot be unity in defence and disunity in foreign policy". That seems to me to be obvious, but some years of participation in international affairs have led me to the somewhat cynical conclusion that the obvious is often more difficult to implement than the obscure.

Triangular Relationship

The unity of NATO, its cohesion and strength, depend primarily upon the closest possible co-operation between the United States, the United Kingdom and France. They are the heart and soul - and much of the muscle - of the Atlantic Community and it ought to be the task of all of us to work for the maintenance and strengthening of the good relationship between them. There is nothing that I know of in contemporary international affairs which is more important.

The efforts which we continue to make - and rightly - to settle problems in the United Nations are no substitute for, though I hope they will always be complementary to, this other and closer co-operation.

Perhaps a Canadian may be pardoned for showing a special interest in this triangular relationship, for we are, in a sense, a part of every side of the triangle.

The United States shares with us the North American Continent. We are linked with her by ties of friendship and neighbourliness, of geography and trade and self-interest.

We could not break these links even if we desired, and we would be very foolish if we tried.

Our ties with Great Britain and France have a very special character, evolving from history and tradition and race. We have with them a family relationship of a kind which is easy to feel but hard to describe. It has been driven deep into our national consciousness, into our peoples' feelings. We Canadians have stood side by side with the people of our two mother countries in dark and dangerous days, in 1914 and 1915; in 1939 and 1940; days when, if they had failed or faltered, freedom throughout the world would have fallen.

We may differ with them - as we have recently in the Suez crisis - not on principles and objectives, but on their methods in trying to solve a particular problem of foreign policy. But our distress when we feel we must so differ makes us all the more conscious of the necessity of keeping those differences to the irreducible minimum.

Canadians feel almost the same distress when there are difficulties and divisions between London and Paris, on the one hand, and Washington, on the other; the more so because we know that this kind of difference can have far-reaching consequences from which only the enemies of peace can benefit.

You will realize, then, how strongly we in Canada feel about co-operation between the three great Western powers, in and out of NATO.

Fortunately, such a structure of co-operation does not have to be built from bare ground. There are strong ties between these three countries that existed long before NATO - ties of culture, of blood, and of partnership in war - which we must work hard to strengthen.

This work of building Atlantic unity, however, is not for Governments alone, but for every citizen of all the Atlantic nations. It lays a duty on each of us to try out best to understand the national attitudes, the national problems, and even the national prejudices of our NATO partners; and to keep constantly in mind the over-riding compelling need for working together.

We have had recently in the Middle East an unhappy, indeed an alarming demonstration of what may occur when co-operation breaks down among the three major members of the Atlantic alliance. I have no intention of going into the record of the divergence of policy that occurred there, but it would be pointless, even harmful, to pretend that it did not happen. We have to face the fact that despite all hopeful progress toward closer unity in recent years, NATO was badly shaken by an important disagreement among certain of its members on the best way of dealing with a critical situation. It is,

however, a mistake to brood over the past. It is better to draw the necessary conclusion from this experience so that it will not recur.

Effective Consultation Needed

An obvious lesson is that there needs to be much more effective consultation in NATO on foreign policies in advance of national decisions regarding those policies. I am not suggesting that more effective consultation of this kind will rule out all possibility of divergent policies, any more than it rules out the necessity of a government acting on its own quickly and effectively in a genuine emergency. There will always be some difference of national approach to particular problems in a democratic coalition such as ours, and there will always be domestic considerations impinging on the requirements for consultation with allies. But if we are to preserve NATO, we cannot afford to let such differences of approach or our pre-occupations with domestic considerations lead to deep division of policy on important matters.

North Atlantic consultation and co-operation, however, leading to the maximum unity of policy - if I may venture to quote again from the Report of the Committee of Three "will not be brought about in a day or by a declaration, but by creating over the years and through a whole series of national acts and policies, the habits and traditions and precedents for such co-operation and unity. The process will be a slow and gradual one at best; slower than we might wish. We can be satisfied if it is steady and sure. This will not be the case, however, unless the member governments - especially the more powerful ones - are willing to work, to a much greater extent than hitherto, with and through NATO for more than purposes of collective military defence".

It is easy, of course, to profess devotion to the principle of political consultation in NATO. It is difficult, almost impossible, if the necessary conviction is lacking, to convert the profession into practice. Consultation within an alliance means more than exchange of information, though that is necessary. It means more than letting the NATO Council know about national decisions that have already been taken; or trying to enlist support for those decisions. It means the discussion of problems collectively, in the early stages of policy formation, and before national positions become fixed. At best, this will result in collective decisions on matters of common interest affecting the Alliance. At the least, and this minimum is essential if a coalition is to be maintained, it will ensure that no action is taken by one member without a knowledge of the views of the others. We must keep pressing for the maximum, but I confess there have been occasions recently when I would have been glad to settle for the minimum!

Another lesson we might profitably draw from the Middle East crisis is that events outside the strict geographical area of the North Atlantic Treaty can be of very vital

concern to the members of NATO and ought, therefore, to be discussed in a NATO context. Geographical limits cannot be placed upon the process of consultation on national policies. We certainly have had cause to learn this recently if we never knew it before; just as we also know that the NATO circle of consultation and co-operation will not be large enough for many of these questions, and that our NATO circle can never be exclusive.

I have said earlier that the cohesion and strength of NATO depend primarily upon the closest possible co-operation between the United States, the United Kingdom and France, and in what I have just said about consultation, I have been thinking particularly of consultation among these three. They are the members of NATO with the most to contribute to the Atlantic Community, in both a material and political sense. They carry the heaviest responsibilities and upon them mainly rests the obligation to work together. This is particularly true of the United States because it is the strongest member of the Alliance. In fact, it has been said recently that the United States is the only member that has any substantial freedom to choose its course of action for itself. I think I understand what the author of that remark meant, but I am inclined to doubt if even the United States has very much freedom to choose its own course of action in this narrowing world and in the face of apparently limitless Soviet ambitions. I am fully aware, however, of the crushing weight of responsibility carried by the United States and the other major members of NATO, and I realize how easy it is for those who do not have such great responsibilities to preach about consultation. Let me, however, add just one further point. While the bigger members of NATO may have far more to contribute, militarily and otherwise, than the smaller ones, there is no member we could easily do without. We need them all and we want them all, freely and enthusiastically doing their part to build up Atlantic unity. It is very important, therefore, that the smaller members of NATO have a sense of full participation in the councils of the Alliance and that they are taken into the confidence of the other members to the greatest possible extent. The result, I am sure, will be better than that suggested by a Princeton Professor in the Times this morning when he wrote:

"Do not coalitions of this sort (asked the professor) always end by the weaker members of the group trying to cash in on their nuisance value at the expense of the stronger and richer members?"

We have good machinery in the NATO Council for this close consultation. We have, I think, made recommendations in our Committee Report by which this machinery can be improved. NATO has an efficient and devoted Secretariat, at the head of which is a man, Lord Ismay, who has provided unselfish, experienced and international leadership of a very exceptional kind which has left us all greatly in his debt. As he leaves NATO, we are indeed fortunate in securing as his successor a dynamic

and brilliant statesman, that great European and believer, as well, in Atlantic unity, Paul Henri Spaak.

It is not, however, the machinery which matters so much. It is the will of governments to use that machinery to bring about close co-operation and harmony in the formulation and execution of policy.

If we do not display that will, with something of the determination and desire - and even passion - that we show in national affairs, then NATO will weaken and eventually die for it will be solely a military alliance held together only by a common fear and disappearing when that fear disappears or, perhaps, seems to disappear.

A Supreme Test

The Atlantic nations are now facing a supreme test of their capacity to unite. If they fail in this, they may find it difficult to prosper and even survive as free nations. This test is the inescapable result of the tragic experiences of the recent past. Success in meeting it is made the more essential by the awful necessities of a thermo-nuclear future. Can we combine our national strengths, merge our national policies, and modify our national prides and prejudices to meet this test; or will we relax into that anarchical and jealous independence which seems unfortunately to have been the characteristic and dominating feature of sovereign states in modern times, except when they are confronted with great and pressing peril.

Mutual understanding is, I believe, the quality that will help us most in finding the right answer through the greater strength and unity of NATO members - understanding, patience and tolerance, as we try to meet collectively a destiny which in any case will be collective.

This essential understanding between us is hindered by any things; including the differences within the NATO states of power and **h**istorical development and tradition. May I mention one way in which these differences reflect themselves and create misunderstanding. Our own two countries, the United States and Canada, have emerged although by different roads, from colonial status; yours by the one which led to battle, ours by the one which led to conference. As two states, covering a great continent, we have no need for living and working space for our people outside our boundaries; therefore, no temptation to absorb other areas for their riches or resources, of which we have an abundance at home. Both historical and practical considerations, therefore, enable us to indulge to the utmost our North American desire for moral satisfaction by sympathizing with and supporting peoples who have just won or are seeking to win national independence from other powers. This is a worthy instinct and one for which we have no reason to apologize. But we should not let it obscure the truth that whatever the defects of colonial policies and practices over the last two centuries may have been

(and these defects have undoubtedly existed and sowed the seeds of bitter feelings), the principal powers in Western Europe, "colonial" because of pressures and circumstances that we have not experienced, have contributed very largely to the fact that so large a part of the world has today either attained sovereign power or is about to attain it. Independence movements, whether in Africa or in Asia, have all received much from those European sources of personal and national freedom. We are perhaps too much inclined to associate the word "colonialism" with "exploitation", and too little to recognize the treasures of law and government, of administrative knowledge and of technical skill, which flowed from the Western European powers to their colonial possessions and which provided the essential foundation and indeed the framework upon which the edifice of sovereign independence could be erected. It may be true that "good government is no substitute for self-government"; but it is equally true that only good government can make self-government tolerable, except on the basis of despotism, which does not become freedom merely because the word "national" comes before it.

In regard to this and many other problems arising out of the differing circumstances of the NATO partners, we should show that understanding which is as important, if not more important, in strengthening our coalition than developing techniques of co-operation, certainly than writing reports or making speeches about such co-operation.

The need, then, for NATO, in the military and non-military aspects of co-operation, is as great as ever. Our determination to satisfy that need by our national policies and attitudes should be as great as ever. The difficulties ahead are great. Our resolve to overcome them must be greater.

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STATEMENTS AND SPEECHES

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No. 57/11 REQUIREMENTS FOR MIDDLE EAST SETTLEMENT

Statement made in the United Nations General Assembly February 2, by Mr. L.B. Pearson, Chairman of the Canadian Delegation.

We have before us, as members know, two draft resolutions: one on the immediate withdrawal of Israeli forces and one on arrangements for peace and security in the area to follow such withdrawal.

The Canadian Delegation would have preferred these two draft resolutions to be separate parts of a single draft resolution which could be voted upon separately. Our reason for that view is a simple one. We think that these two matters are interconnected, and what we do about the second will help or hinder our efforts to bring about effective action in regard to the first -- withdrawal. This inter-relationship exists, in our view, not because it will assist Israel in achieving any objective of national policy, but because it will affect the chances of achieving our own objective of peace and security in the area. And that, I take it, is the objective of the Assembly. We do not expect the second draft resolution to result in anything that would not have been desirable if Israeli military action had not taken place.

There is in our minds no question of reward or approval. We do expect a satisfactory second draft resolution to result in the kind of United Nations action that will prevent military action in the future, and we look at this second draft resolution from that point of view, as well as from the point of view of the effect which it will have on the achievement of Israel withdrawal.

I recognize the force of the reasons that made one draft resolution impossible of acceptance by the necessary majority in this Assembly. I hope that others will realize the force of the argument that the views expressed on the second draft resolution and, even more important, on the meaning of that draft resolution, are bound to influence our feeling about the first.

Our position on these two questions has been stated already and I do not need to repeat it at length.

We agree with the view that there must be a full implementation of the Armistice Agreement of 1949, and that there must be a formal affirmation by the Governments concerned that they desist from raids and incursions across the demarcation line and take active measures to prevent these things happening. The Secretary-General, in his report, has called for these things. But they are not enough. The United Nations must take action to achieve as well as merely to proclaim these objectives; to secure and supervise arrangements to this end.

We have at hand an agency of the United Nations, our own agency, which can be used effectively for these purposes if we so desire. If we do not use it -- the United Nations Emergency Force -- all our work of last autumn will have been wasted, and our failure will extend far beyond this particular situation and will weaken, perhaps even destroy, the value of this Assembly for the supervision of and making secure the peace. The Security Council, in present circumstances, has become futile for these purposes. Is the Assembly to go the same way? It is for us to decide, and what we do on this occasion may make the decision.

We must, therefore, in any draft resolution which we are considering, such as the one before us, be sure that we are giving the Secretary-General clear and definite authority so that, in the subsequent discussions and consultations which are required, he can make the United Nations and the United Nations Emergency Force effective for the purpose of bringing about action, following withdrawal of Israel forces. This surely means -- at least it seems to us to mean -- that agreement should be reached under which UNEF can be used for keeping the peace along the demarcation line and in the Gaza Strip, if necessary, and for preventing conflict -- and that would be its only possible purpose in that area -- in the Gulf of Aqaba or the Straits of Tiran.

We are asking our Secretary-General to take on great and additional responsibilities. I hope that this second draft resolution -- which is not a very long one -- is not going to be the straw that will break this camel's back. But it is certainly our duty to give him as clear and precise a mandate as we can so that he can discharge these responsibilities with a minimum of confusion, controversy or delay.

I realize that it is the intention of the authors of this draft resolution to give the Secretary-General the authority necessary to discharge these new responsibilities and to perform this task that is of such vital importance to peace and the United Nations. I know something about the difficulties of the authors of these two draft resolutions in realizing this intention in words that will command the approval of the necessary majority of this Assembly which, after all, cannot act at all

without such approval. I know that the representative of the United States, in particular, has made persistent and tireless efforts, which deserve our gratitude, to overcome these difficulties.

But, while the purpose of this second draft resolution deserves and receives the unqualified support of our Delegation, we have had -- as I am sure other delegations have had, judging from what I have heard today -- some doubts about the language of the draft resolution in one or two places being best suited to achieve this purpose. I would have preferred it to be somewhat more precise and more complete. I think that it would then have been more effective, if its meaning had been clearer, in achieving the two objectives which we all have in mind: immediate withdrawal of Israel forces and, afterwards, United Nations arrangements which, to use the language of the preamble of the second draft resolution, "would assure progress towards the creation of peaceful conditions".

I realize, of course, that it would have been impracticable to have included in this draft resolution all the details of the actions which we wish the Secretary-General and the United Nations to take. But I had hoped that the principles which we mention might have been somewhat more specific. I realize also that the Secretary-General must be given reasonable freedom of action, room to manoeuvre, in an operation of this kind, which is as delicate as it is complicated and important. But we surely do not wish this freedom to include ambiguous injunctions which might invite differing interpretations and consequent confusion and frustration.

I am assured that my doubts on this score are unnecessary and that the wording of the second draft resolution makes possible the use, for instance, of the United Nations, especially the use of UNEF, for the pacification purposes mentioned by both the representative of the United States and myself in our interventions in this debate on 28 January, and to which he referred again at our meeting this morning. I hope that this can be done, and I have been strengthened in that hope by the statement which we heard from Mr. Lodge this morning.

That statement seems to me to strengthen the validity of the interpretation which we give to the words of the draft resolution, the aim of which we have wholeheartedly approved from the beginning, but the wording of which, in one or two places, has raised some doubts as to its exact meaning.

I assume, for instance, and I hope that my assumption is correct, that the scrupulous observance of the 1949 Armistice Agreement which is called for in paragraph 2 of the second draft resolution, requires the two Governments concerned to refrain from all acts of hostility, including the exercise by either party of any claim to belligerent rights, specifically in the Gulf of Aqaba and the Straits of Tiran. My assumption on this

point seems to me to be supported by the language of paragraphs 27 and 28 of the Secretary-General's report (A/3512), which refers to certain measures that should be carried out -- and which, under paragraph 4 of this draft resolution, the Secretary-General is requested by this Assembly to carry out.

In regard to paragraph 3 of the second draft resolution, I take it that the word "other" in the phrase "the implementation of other measures" does not mean the exclusion of UNEF from these other measures by the fact that, under the preceding part of the paragraph, it is to be placed on the demarcation line. I also assume that the words "in the area" at the end of this paragraph include the Sharm el-Sheikh and Gaza areas as well as the area of the demarcation line.

These may seem small points, but many an important resolution -- and this is a vitally important resolution -- has been ruined by subsequent differences of interpretation and meaning of points which seemed to be small but turned out to be very large indeed, and very ambiguous.

I think it is especially necessary that there should be no doubt about the meaning of this resolution because if and when it is passed it becomes the Secretary-General's "Bible" as he undertakes the duties based on it.

Our attitude to resolution II, then, has been conditioned by the interpretation I have given above and we think this is a reasonable and acceptable interpretation. The actual authority given the Secretary-General to carry out the provisions of this resolution is to be found in paragraph 4 where he is requested to take steps to carry out the measures which are in his report, which has been before us for some time. In other words, he is to implement his report on the basis of this resolution. It seems to me desirable therefore to recall the measures which are to be carried out by him, because they will be his responsibility.

It seems to me that a careful reading of this report indicates that these measures -- some of them would perhaps appear to be conclusions rather than measures -- include the following:

First, full respect for, full implementation of and a reaffirmation of the Armistice Agreement of 1949 which remains in force and the first article of which assimilates the agreement to a non-aggression pact providing for mutual and full abstention from belligerent acts;

Second, the restoration of the legal position of control in the Gaza Strip and the recognition that any change in this position -- a position which has practical and humanitarian as well as legal aspects -- can only be brought about through a settlement between the parties. The Secretary-General

recognizes that the deployment of the United Nations Emergency Force in Gaza on any wider basis than its deployment along the Armistice line in the Sinai Peninsula would require the consent of Egypt under the Armistice Agreement. He also points out, however, in his report -- and I quote from that report -- that "the development of the situation in Gaza may require special attention and may impose added responsibilities on the United Nations" in particular in regard to refugees.

The third measure from this report is the deployment of UNEF on both sides of the demarcation line, to prevent incursions and raids across that line.

Fourth, El Auja to be demilitarized in accordance with the Armistice Agreement and Israeli and Egyptian forces not to take positions in contravention of that agreement;

Fifth, the assumption by the Emergency Force of the supervisory duties of the Truce Supervisory Organization;

Sixth, formal assurance from the parties concerned to desist from raids and to take active measures to prevent incursions;

Seventh, pending determination of the legal position of these waters, innocent passage through the Straits of Tiran and the Gulf of Aqaba in accordance with the recognized rules of international law, which passage is not to be interfered with by the exercise of any claim to belligerent rights;

The eighth and final measure which I have drawn from the report is that Israeli troops, on their withdrawal from the Sharm el-Sheikh area are to be followed by UNEF in the same way as in other parts of Sinai. The Force is not to be deployed there, as the Secretary-General points out, in such a way as to protect any special position on controversial questions, although, at least transitionally, it may function -- or special United Nations observers may function -- in support, and only in support, of mutual restraint and in maintaining quiet.

In these resolutions we are giving the United Nations Emergency Force very important functions in the pacification of the area. Perhaps it is already authorized to perform many of these functions. I agree, for instance, with the representative of Australia that in accepting the Secretary-General's second report on the establishment of the Emergency Force we have already, and with the consent of the Government of Egypt, authorized the Force to help maintain quiet after the withdrawal of non-Egyptian troops and to secure compliance with the other terms of the resolution of 2 November 1956. Whether the new functions we are suggesting require, in whole or in part, a new resolution of the Assembly is perhaps not very important now because such a resolution is before us, which is designed to remove any doubts on this score. In so far as is necessary, new arrangements will have to be worked out by agreement with Egypt and with Israel.

In this connexion, the scope and the nature of Egypt's earlier consent was brought up yesterday by the representative of Australia and referred to by more than one speaker this afternoon. On that point the Secretary-General made, I think, an important clarification yesterday when he said: "To all the extent that movements of the United Nations Force are supposed to follow from the duties of the Force in relation to the cease-fire and withdrawal, the matter ... has been regarded as non-controversial as it is covered by Egypt's general consent while, on the other hand, as regards activities of the United Nations Force which would extend beyond what is covered by this consent, an additional consent has been considered necessary."

The Secretary-General also said that whatever may be the legal situation under the Charter regarding consent, "in practice, the consent must obviously be qualified in such a way as to provide a reasonable basis for the operation of the United Nations Force."

I am satisfied myself that the United Nations Force, which has already operated effectively and non-controversially and has given us hope for the future role of the United Nations in the supervision of peace can, if it is given the opportunity and the authority, conduct these new peace supervision operations equally effectively. Absurd suspicions have been cast on this Force by the representative of the Soviet Union and by the representative of Bulgaria, I think it was, this afternoon; absurd suspicions were cast on this Force as an agency for the return of colonialism in a new form to this area. All I can say in this connexion is that the Force is under the control not of any one Power, either here in this Assembly or on the spot, but it is under the control of the United Nations and that it is a Force consisting of important elements from those well-known "colonial Powers" India, Indonesia, Yugoslavia and Finland.

When doubts about this Force are expressed by the countries of the Middle East, I accept the honesty of their doubts although I do not believe that they are justified. I can assure them that as far as our Delegation is concerned -- and I am sure that it is true of practically all other delegations that have supported this Force -- we have never at any time conceived of this Force as anything which could remotely be called an occupation force. It is not a national army or a collection of national contingents; it is an emergency force from the United Nations composed of units from countries -- the smaller countries -- of diverse backgrounds and policies, which is not in a position to enforce its will on any country, nor has it the power to do so under the Charter if it so desired. As a member of our Delegation said last December in his statement in the General Assembly, the United Nations Emergency Force is not an instrument for enforcing a settlement but it can be an instrument to assist in establishing conditions in the area which would be of benefit to both the parties concerned and advantageous to peace and security.

Its peaceful purpose was to assist in the withdrawal of invading forces. We think it can also be used to assist in the maintenance of the Armistice on which both parties have agreed. And I do not see how this function of the United Nations Emergency Force could possibly be considered as one of occupation in any way, shape or form.

Let us not be confused and misled by semantics, either exaggerating or unduly limiting the value and the functions of this Force. Our United Nations Force is in being. It is operating effectively now under the blue flag of peace of the United Nations. It is no threat to the sovereignty of any nation and, whatever we may say here in debate, it expects -- and I feel sure that it will receive -- the co-operation of the peoples and the Governments in the countries in which it operates for one purpose only: the prevention of conflict and the creation of an atmosphere which will make possible a peace settlement.

This Force can do a great new work for peace in the area if we give it the chance. I hope, in spite of the doubts that I have expressed about its ambiguous wording in one or two places and in spite of conflicting views about its meaning, that this draft resolution will give the United Nations and its Emergency Force that chance.

Such a hope will only be realized, however, if, first, Israel forces are withdrawn and, secondly, if we back up the Secretary-General firmly and constructively in the task we are giving him, a task which I know he will undertake with the energy, sincerity and devotion he has already shown. If we do this, then we can be sure, I think, that the Secretary-General will use the authority we are now giving him and through the Force for peace which we have created ourselves, in a way which will bring about better conditions of security in the area than have existed in the troublous and unhappy past, and thereby make an indispensable contribution to the peaceful and just political settlement which must come. .

STATEMENTS AND SPEECHES

Canada.

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS,
(OTTAWA - CANADA)

No. 57/12

THE ST. LAWRENCE SEAWAY

Address by the Hon. George C. Marler, Minister of Transport, to the Canadian Club of Montreal Monday, January 28, 1957.

... Though much has been written about the St. Lawrence Seaway in newspapers and periodicals, somehow or other a good many people have found it difficult to concentrate enough of their attention upon the written material to obtain a clear understanding of all that is involved in the works which are at present being carried out in the St. Lawrence River. I hope that what I am about to tell you will give you a better idea than you now have of the whole project.

Though it would be interesting both to trace the development over the last 150 years of navigation facilities on the St. Lawrence-Great Lakes route and to review the negotiations between Canada and the United States that began in 1905 and culminated in 1954 in an agreement between the two countries to proceed with St. Lawrence Seaway, it would be better, I think, if I were to begin by placing the Seaway in its setting as a vital part of the St. Lawrence-Great Lakes waterway. This ought to make it easier for you to appreciate the purposes and effects of the project.

This waterway, which has been accurately described as the world's greatest inland navigation system, extends from the Atlantic Ocean to the western end of Lake Superior and over its course of more than 2,000 miles rises some 600 feet above sea level by what it is convenient to describe as five separate steps.

The first step - that from the Atlantic to the Port of Montreal - accounts for the first 20 feet of the 600 feet I have just mentioned. We Montrealers have come to take this

part of the waterway pretty much for granted and are apt to forget the extensive work we have done upon it and the substantial expenditures that have been involved. Below Quebec, the limiting depth of dredged channel is 30 feet at low tide, which, with the average tidal range of 15 feet, affords ample depth for any vessel using the St. Lawrence route. Between Quebec and Montreal there were originally sections of the river which had a limiting depth of $10\frac{1}{2}$ feet at low water, but as early as 1844 we commenced dredging operations to provide greater depth, and over the years, and at a cost of over \$300,000,000, we have developed the St. Lawrence ship channel which now has a minimum depth of 35 feet at low water. Even though we have made these substantial and costly improvements, we are continuing to do further dredging in order to widen the channel and improve it at a number of places in anticipation of the heavier volume of traffic which the seaway promises.

The part of the river between the Port of Montreal and Lake Ontario, which accounts for a rise of 223 feet, is the second step. This part of the waterway is navigable by means of the St. Lawrence canal system, composed of 6 separate canals, with a total of 22 locks, most of which are 270 feet long and 45 feet wide, with a limiting depth of 14 feet. In 1955 total traffic in these canals carried in 6,909 vessels amounted to nearly 11,000,000 tons. I shall come back to this part of the waterway presently.

The third and most spectacular step - 326 feet in height - is the Niagara Falls section, between Lake Ontario and Lake Erie, which is navigated by means of the Welland Ship Canal. Work on it was begun in 1913, interrupted in the autumn of 1916 by World War I and finally completed in 1932 at a cost of \$132,000,000. Seven of the present locks are 859 feet long, and the eighth, or guard lock, 1,380 feet; they are 80 feet in width and have 30 feet of water over the sills. The present available depth of the canal itself is 25 feet, although about 17 miles have been dredged to 27 feet. In order to bring the entire canal to a 27-foot depth and as a part of the Seaway programme, further dredging is to be undertaken by the St. Lawrence Seaway Authority at a cost of approximately \$24,000,000. Traffic over this canal amounted for 1955 to nearly 21,000,000 tons, carried in 9,333 vessels.

The fourth step is the Detroit-Lake St. Clair passage which leads from the western end of Lake Erie to Lake Huron. Over this 89-mile stretch there is only a gradual rise of 8 feet and, consequently, there are no canals or locks. The

channels, however, have been dredged and traditionally this work has been done by the United States Government, which has progressively deepened the channels to give a depth of water of 25 feet for downbound vessels and 21 feet for those upbound.

The final step, between Lake Huron and Lake Superior, is the St. Mary's Falls section, where there is a rise of some 22 feet. The channels in the St. Mary's River itself are of the same depth as those in the Detroit-Lake St. Clair passage, and like it, have also been dredged and maintained by the United States Government. To permit ships to by-pass the falls, locks have been built at Sault Ste. Marie - four on the United States side of the river and the fifth on the Canadian side. The MacArthur Lock, the largest and deepest of all of them, is on the American side and has a depth of 35 feet over the sills. This is the busiest part of the waterway and in 1955 nearly 115,000,000 tons of traffic was moved through these locks, nearly 90 per cent of it being down bound.

From this summary description, you will note that though deep-draught navigation may be carried on over the extremities of the waterway - that is, between the Atlantic Ocean and the Port of Montreal on the one hand, and between Lake Superior and the head of the St. Lawrence River on the other - in the intervening section the limiting depth of 14 feet of the St. Lawrence canal system prevents the movement of deep-draught vessels from one end of the waterway to the other. The deepening of this intervening section and the provision of facilities for deep-draught vessels are the purpose of the navigation works now in course of construction.

In this same stretch of the river, there is, as I indicated a moment ago, a difference in level of 223 feet, and it is possible to develop at three separate sites about 5,400,000 H.P. of electric energy. The first of these sites, as we move down the river from Prescott, is near Cornwall in the International Rapids section, as it is being developed concurrently with the building of new facilities for navigation, the present undertaking is sometimes referred to as the St. Lawrence Seaway and Power Project.

This development is being undertaken by the Power Authority of the State of New York and the Hydro-Electric Commission of Ontario, and these two bodies are to divide equally the 2,200,000 H.P. which are to be developed. Their plans provide for the building, below the Long Sault Rapids, which many

of you may know, of a dam from the U.S. mainland to the head of Barnhart Island and of a powerhouse straddling the International Boundary and extending across the river from the foot of Barnhart Island to the Canadian mainland, a little to the west of Cornwall. The estimated cost of the power project, which is to be finished late in 1958, will be approximately \$600,000,000.

When the dams are closed, the level of the water at Barnhart Island will be raised about 80 feet. This will flood a very substantial area of settled country and create a pool or lake some 30 miles in length. This, of course, makes it necessary to provide now for the re-establishment on high ground of a number of communities and the re-location both of railways and highways; and this is progressing rapidly.

At the westerly end of the pool or lake, the Iroquois Dam is being built for the purpose of regulating and controlling the flow of water from Lake Ontario and maintaining it at a suitable level.

To enable shipping to circumnavigate these dams at Barnhart Island and at Iroquois, canals and locks are in the process of being built. The United States government, through its Saint Lawrence Seaway Development Corporation, is building two locks on the United States side of the river - the Grass River Lock and the Eisenhower Lock - while Canada, through our St. Lawrence Seaway Authority, is building a single lock at Iroquois Island on the Canadian side of the international boundary.

To enable shipping to enter and leave the Grass River Lock, it will be necessary to excavate a channel to the south of Cornwall Island. This will involve the removal of substantial quantities of material and, accordingly, in order not to disturb the distribution of the flow of the river around Cornwall Island, dredging will also have to be done in the river to the north of the island so as to make up, or "compensate" for the excavations in the south channel. These excavations, may I add, are also important in the development of power at Barnhart Island.

In essence, this compensatory work involves the enlargement of the cross-section of the north channel to an extent approximately equal to the enlargement of the south channel. You will appreciate, therefore, that this work can be carried out in a number of ways. Because of its importance, the matter was the subject of high level discussions between Canada and the

United States. The United States proposed that the compensatory work should take the form of a deep excavation in the north channel near the western end of the island; Canada considered this entirely unsatisfactory because the work, though it would have provided channel compensation to the necessary extent, would have had no other utility, either actual or prospective. We believed that the compensatory work should have some more useful purpose and suggested that it be in the form of a 27-foot channel which would connect Cornwall with the main channel of The Seaway and would be usable at some later date if Canada decided to build on the Canadian side of the river locks which would duplicate the two locks now being built in the United States side of the river. The discussions which lasted several months culminated in the exchange of notes published last December which made clear the Canadian determination to proceed with compensatory works in the form of a 27-foot channel into Cornwall. The excavation of this channel will involve a larger outlay on our part, but the additional cost of \$4,500,000 is fully justified by the immediate and prospective usefulness of this channel.

When we move further down the river through Lake St. Francis, in which the channels are in process of being deepened we come into the Soulanges section. In this part of the river Quebec Hydro is already producing 1,600,000 H.P. at Cedars Rapids on the north side of the river and at Beauharnois on the south side; and it is possible to develop a total of 2,200,000 H.P. Up to the present the Beauharnois Power Canal has served only to produce power, but it is to be an integral part of the waterway between Lake St. Francis and Lake St. Louis. At the eastern end of this canal, the Seaway Authority is building two locks which will together provide a lift of about 82 feet. The work is well advanced and makes provision for a tunnel to carry four lanes of highway traffic under the locks.

This brings us into Lake St. Louis and the Lachine section, which extends eastward to the Port of Montreal. As I mentioned a little earlier, there is a drop of nearly 50 feet between the outlet of Lake St. Louis and the harbour and it is possible to develop about 1,200,000 H.P. This development could have been undertaken concurrently with the building of the Seaway, but as the Province of Quebec did not appear of be anxious to proceed with the development when the Seaway was started in 1954, the works now being carried out in the Lachine section are primarily intended for navigation. They will not, however, prejudice the development of power when the province decides to undertake it.

The navigation facilities in this part of the waterway include a 10-mile canal from Lake St. Louis to deep water in the Port of Montreal. This canal will be built overland from the Lake at a point above Caughnawaga eastward to Cote Ste. Catherine, and thence in Laprairie Basin itself, following its south shore. In its course, turning basins are to be constructed to allow ships, both deep sea and Lake carriers, to manoeuvre freely in and out of the canal. There are to be two locks, on which work is well advanced - one at Cote Ste. Catherine, a little below the Lachine Rapids, and the other at St. Lambert, a little above Victoria Bridge.

The entrance to the Seaway - or the exit, depending on which way you are travelling - will be a short distance to the east of the Jacques Cartier Bridge and will provide direct and convenient access both to the heart of Montreal Harbour and to the St. Lawrence ship channel itself. In fact, the location of the eastern end of the Seaway was chosen so as to facilitate the movement into the harbour of traffic coming down the seaway.

The works to be carried out in the Lachine section are expected to cost about \$125,000,000, according to the latest estimate. This is attributable not only to the extent of the navigation facilities which I described in a summary way a moment ago, but also to the works that must be carried out as a consequence of building these navigation facilities. I refer, of course, to the subsidiary expenditures that have to be made to provide for the water supply and the sewage systems of the municipalities on the south shore of the river between Lake St. Louis and the eastern extremity of the Seaway, and to the extensive works which have yet to be carried out so that the Seaway will not disrupt the movement of the railway and the highway traffic which now crosses the river by means of the railway bridge at Caughnawaga, the Honore Mercier Bridge, the Victoria Bridge and Harbour, or Jacques Cartier Bridge. The problems which arose in this connection have been exceedingly complex and the provision of facilities to prevent the disruption of this traffic by the Seaway will involve the expenditure of very substantial sums.

This concludes my description of the various works which are now in course of being carried out by the Seaway Authority. I should perhaps go on to tell you that the new locks are to be of the same standard dimensions as those of the Welland Ship Canal, with 30 feet of water over the sills; and that all the new channels, that is to say, as far up the waterway as Lake Erie, are to be dredged to a depth of 27 feet. In due

course, though not as a part of the Seaway project itself, the channels in the upper stretches of the waterway are to be deepened under an extensive programme of river improvements to be undertaken by the United States Government.

Just a word now as to the cost. The capital budget of the Seaway Authority, which I recently tabled in Parliament, provides for expenditures of nearly \$285,000,000 for the works it is to carry out, while the works in the International Rapids section being undertaken by the United States are likely to cost about \$125,000,000, making, in round figures, a total of, say, \$400,000,000. If we add to this the cost of the power development in the International Rapids section, the grand total for the seaway and power project will, in round figures, be close to \$1,000,000,000.

Time does not permit me to discuss very fully the effects which the Seaway is likely to have upon the pattern of transportation on the North American continent. The subject is much too vast and far too complex to be covered in a few simple phrases, but a few comments may be made.

The first point, which is of obvious importance, is that in place of the 22 locks of the present St. Lawrence canal system, the Seaway will have only 7. This, of course, will reduce materially the time which is now occupied in passing through the locks, and savings in time will reduce costs of operation for shipping.

The deepening of the waterway between Montreal and Prescott will enable the deep-draught vessels now operating in the Great Lakes to move bulk cargoes from one end of the waterway to the other. This is of particular importance because of the efficiency of the lakers, and of the desirability of using them for the carriage of grain from the Lakehead to the Lower St. Lawrence ports. At present, because of the limiting depth of the St. Lawrence canals, only the so-called "canallers" can operate over the whole length of the waterway. The canallers, however, can carry only 2,000 to 3,000 tons of cargo, or 70,000 to 80,000 bushels of grain, and need a crew of 22 to 25 for their operation. The lakers, on the other hand, are capable of carrying 20,000 to 25,000 tons of cargo, or 700,000 to 800,000 bushels of grain; but need a crew of only 32 to 35. The laker is obviously a much more efficient carrier, and its use in place of the smaller vessels should reduce the cost of carrying grain from the Lakehead to ports on the St. Lawrence from which it will be carried overseas. The use of the larger vessel for the whole distance - instead of just to some intermediate point, as at present - will also have the advantage of eliminating the costs of trans-shipment at the intermediate point.

When the Seaway is opened, we are going to see these lakers in the Lower St. Lawrence, and, therefore, we must be prepared not only to accommodate them in our harbour but also provide the grain-handling facilities needed to permit them to be unloaded rapidly and to reduce to a minimum their turn-around time. In this connection, I am happy to say that the National Harbours Board, which reports to Parliament through me as Minister of Transport, has embarked upon an extensive programme of improvements to the Port of Montreal to provide berthing accommodation for the lakers and to modernize our grain-handling facilities here. The Board is likewise undertaking expenditures for the same purposes at the Port of Quebec which at present cannot accommodate lakers.

The deepening of the waterway between Montreal and Prescott will also enable larger ocean-going vessels to operate into the Great Lakes. As early as 1933 European shipping interests had started with small vessels to develop traffic between ports in the Great Lakes and ports in western Europe. This was interrupted by the war, but was re-established in 1946 and has since increased substantially. In 1956 direct overseas traffic, upbound and downbound through the St. Lawrence canals, rose to 800,000 tons, compared to 690,000 tons in 1955. There were 14 lines engaged in this trade, operating 101 vessels, which made a total of 309 trips. When the Seaway is opened, we shall, I think, witness a further development of this traffic, but it seems to me that because of the very large population in those parts of the United States living in proximity to the Great Lakes, the bulk of the overseas traffic will be destined to or originate from United States ports on the Great Lakes, rather than Canadian ports.

So far as Montreal is concerned, I cannot help thinking that the Seaway will stimulate industrial development in our metropolitan area and particularly in those parts having direct access to the Seaway itself.

The prospect of this development, coupled with the building of the Seaway, has naturally focussed attention upon communications across the river. In this connection, I should tell you that the National Harbours Board has not only provided a fourth lane across the Jacques Cartier Bridge, but will provide entirely new approaches to the bridge on the south shore. It will consider adding a fifth traffic lane when conditions warrant doing so, but not before better approaches to the bridge are provided on the Montreal side.

Another Federal agency, the Canadian National Railways, has doubled its facilities for highway traffic by making the downstream bracket of the Victoria Bridge available for motor vehicles.

The Federal Government also has entrusted to the National Harbours Board the task of building a new highway bridge across the river at Nun's Island, and it is expected that tenders will be called in the spring, if all of the formalities can be cleared by that time.

These new facilities will probably cost nearly \$40,000,000 but they will materially improve highway communications between Montreal and the south shore. Had we done more we might justly have been accused of invading a field of responsibility that is exclusively provincial.

May I conclude by telling you that despite the magnitude of the project and all of the difficulties that it naturally entails, the work is keeping close to schedule and that we confidently expect that the Seaway will be ready when navigation opens in 1959.

S/A



STATEMENTS AND SPEECHES

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No. 57/13

ALGERIA

Statement by Mr. Roch Pinard, Vice-Chairman
of the Canadian Delegation, in the First Political
Committee of a United Nations General Assembly,
New York on February 8, 1957.

The Canadian Delegation has followed with great interest the speeches made on the question of Algeria in this committee. We are still a little doubtful of the wisdom of discussing a question which under the Charter falls so clearly within the domestic jurisdiction of a member state, and which has been so clearly and logically documented by the distinguished Foreign Minister of France, but we are glad that the Delegation of France has accepted the opinion of the majority and has agreed to present its views on the problem. I say that I am glad of it because the presence of France in this committee is of great importance to the work of the United Nations, and the French case needs to be presented to the world. I think the decision of the Delegation of France has been amply justified because the lucid speech of Mr. Pineau has placed in perspective what France has accomplished in Algeria and what it proposes to do in the future.

I shall not, however, Mr. Chairman, attempt to go in detail into the background of this question, since it has been presented from both points of view with great thoroughness. It is a problem of immense complexity on which we in this committee could hardly be expected to produce a solution satisfactory to everyone, even if we were competent to do so.

My Delegation has weighed carefully the evidence of the French Government. It seems to us that the latter is aware of the need to relate its policies to the necessities of a changing world and that it has embarked in a direction which will result in a state of affairs in Algeria that should satisfy the legitimate aspirations of the two main elements in the population. Such a relationship cannot be altered overnight without the danger of bringing down the whole structure which has so much of the constructive in its past.

While we may deplore much of what has happened in Algeria during recent years, we hope sincerely that good will and reason will prevail and that the two sides in Algeria will work out a solution peacefully, and without interference.

For my Delegation, it is highly questionable that this process can be spurred on in the right direction by discussions in the United Nations, or by the adoption of resolutions unacceptable to the party principally concerned. I think it is also clear that foreign intervention is not leading in the direction of a reasonable and bloodless solution of the problem.

We in Canada have had some experience both of the great contributions which France has made and will continue to make to the civilization of the world, and of the problems of working out a harmonious political and social entity in a society composed of races of differing cultural, linguistic and religious backgrounds, as the distinguished Foreign Minister of France mentioned. We have succeeded in Canada, though I can assure the members of this committee it was not accomplished overnight. It took generations of patient work, on the part of both communities, and I would like to suggest to this committee that a happy equilibrium cannot be evolved in Algeria, in an infinitely more involved and difficult situation, without the exercise of infinite restraint and political wisdom.

My Prime Minister, Mr. St. Laurent, in speaking on the problem of unity in Canada, only last Saturday, stressed the need not to minimize the cultural and economic factors tending towards co-operation between the two ethnic groups, nor at the same time to exaggerate their differences. I have the impression, in listening to some of our friends in the present debate, that they would try to do precisely the contrary with regard to Algeria and I would like to make a plea in this committee for a balanced approach to the problem.

I was impressed, as I am sure all of us were, by the dispassionate expose of the contribution of France to the evolution of Algeria. We knew this in the abstract, but the repetition of it here helps to bring home the need to proceed with caution in order not to undermine this contribution, a contribution, I might add, which extends to Africa south of the Sahara as well. And, in this connection, I should like to draw the attention of the Committee to the plea recently made by that great humanitarian, Albert Schweitzer, who can certainly not be accused of partisan politics, and whose work in Africa needs no underlining, to avoid exacerbating further a difficult situation.

We must also keep firmly in mind the immense progress made by France in the last year and a half in its relations with countries in which it formerly exercised full control. Morocco and Tunisia are now completely independent countries

and respected members of this body. Responsible elected representatives of the Togolese people are now exercising full control in the management of their domestic affairs. In other significant parts of Africa steps have been taken and are being taken to increase local autonomy and encourage the fullest possible participation of the people. I do not want to suggest that there is necessarily an analogy between the territories and countries I have mentioned and Algeria. We are fully aware of the very unique problems of the latter, but we do believe that France's record of achievements in connection with these countries is proof of French good faith.

We must recognize the enlightened role France is playing in political, economic and cultural development in all these areas. We have heard from the distinguished representative of France of the plans already in hand for the greater autonomy, security and prosperity of all Algerians; indeed for a prosperity to be enjoyed by the peoples of a much wider African community. I do feel that on the basis of the examples I have mentioned we should leave the question of Algeria's future to be worked out by France with the elected representatives of the area, confident that a just and liberal solution is what we can expect from that country which has given so much to the civilization of the world.

This is not to underestimate the enormous importance to the world of Arab culture. It is indeed in the combining of French civilization and the great culture of the Arabs, now in renaissance, that the hope for this part of the world exists, and it was precisely in this encouraging direction--the great new future--that Mr. Mollet pointed in his declaration of intentions of January 9.

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STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
(OTTAWA - CANADA)

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No. 57/14

CYPRUS

Statement in the First Committee of the United Nations General Assembly, New York, by Dr. R.A. McKay, Permanent Representative of Canada to the United Nations, on February 19, 1957.

I am reluctant, as I am sure are all of the friends and allies of the United Kingdom, Greece and Turkey, to intervene in the debate on this unfortunate subject. But after hearing the speeches made by the distinguished representatives of those three countries in this Committee, and after long study of the problem, I feel it necessary to make a few points.

The first, which seems to me obvious, is that the problem of Cyprus is highly complex from the point of view of international law, geography, and ethnic, linguistic, religious and strategic considerations. It is not a question to which any one of us could give a quick and facile answer. Cyprus, in ancient, medieval and modern history, has proved a bone of contention. We must be cautious about suggesting solutions which might stir up further strife, even if this Committee really felt it had the competence to do so.

The second point which stands out in our examination of this question is the inescapable conclusion that the Cypriots would have best served their own good by accepting constitutional development in Cyprus along the lines offered by the United Kingdom Government. In particular, it does seem to us that the off-hand dismissal by the Greek Government of the proposals made by that eminent jurist, Lord Radcliffe, without any serious study, was not an act which could conceivably be described as intended to help towards a solution of the question.

I was sorry to hear some of the charges levelled at the United Kingdom Government by the distinguished Foreign Minister of Greece. We in Canada who know so well the history of the development of the British Empire into a Commonwealth

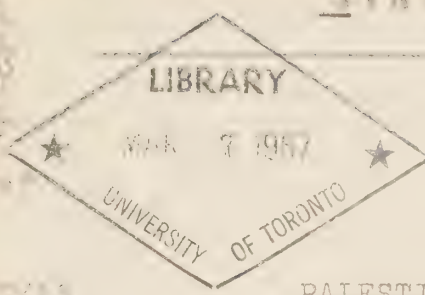
of Nations, find it difficult to believe that any people under British rule would not be able gradually and peacefully to work out their own destinies. We recognize that the Radcliffe constitution and previous offers did not immediately give complete self-government to Cyprus. Indeed in the present circumstances that would be highly unrealistic. But it did give a very great measure of self-government to the people of Cyprus and if this constitution were the point of departure I think it would direct the peoples of Cyprus, no matter what their origins, towards a better, more peaceful and prosperous existence. And I ask the people of Cyprus to study carefully the history of the development of the Commonwealth of Nations to see if the United Kingdom, having in good faith on both sides started a people on the path to self-government, has ever thwarted it in its subsequent development.

My Government has believed in the past, and continues to do so, that a solution to the problem of Cyprus must be worked out by the parties principally concerned. I do not think airing of the dispute in this body is likely to help. In addition, we do not think that the continuance of the near state of civil war in Cyprus, and its encouragement from abroad, nor the stirring up of animosity and hatred on racial lines in this small island is the way to solve the problem. It is of the greatest importance for the sincere friends of all three of the disputants in this question that it be settled as quickly as possible with the minimum of public contention. Above all any further deterioration in the relations between Greece and Turkey on the one hand and between Greece and the United Kingdom on the other can only add to the unsettled conditions in the Middle East.

As regards the charges and counter-charges about terrorism in Cyprus, it is clearly difficult to decide when such activity is criminal and when it is heroic. But no matter how one labels it, the end result is misery for the people, and under no circumstances can we condone the aid and encouragement given to these activities from the mainland of Greece. This again, surely is a question which can and should be settled amicably by the powers concerned and my Delegation cannot believe that the United Nations can play a useful role in this issue.

Canada, External Affairs Department
Information Division

STATEMENTS AND SPEECHES



INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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No. 10713

PALESTINE REFUGEES

Statement by Mr. J.W. Holmes in the Special Committee of the United Nations General Assembly, New York, on February 20, 1957.

We all regret, I am sure, that we must again consider the question of the Palestine refugees without finding ourselves closer to a solution of the problem. Perhaps, however, this discussion will serve one useful purpose if it directs our attention from the abstractions of international policy to the human problems of those who have suffered all too long. We have all, I know, been greatly impressed by the reports, both oral and written, of the Director of UNRWA. What impressed my Delegation most was the humanity and the compassion which were so evident in his statements to us. He and his colleagues have persevered throughout the most difficult and dangerous period yet experienced by this Agency because of their selfless devotion to the unfortunate people whom we have asked them to help. It is a record which has not been surpassed in the history of service by the United Nations to the unfortunate and the afflicted. It will be a source of satisfaction to the Agency and to all of us that recognition of their service has been gratefully accorded by speakers whose views on most problems of the situation on the Middle East vary widely. There rests a heavy responsibility on all of us to see that UNRWA is given the support it deserves and is enabled to carry out the work which is on the conscience of all members of the United Nations.

Because the Director's report is an honest report, it is neither comforting nor encouraging. This is the fact which we must face with equal honesty. It is clear that little progress has been made in reintegrating the refugees into the economic life of the Middle East. For reasons beyond his control, the Director has been unable to point to any indication of progress - of progress in securing the repatriation of the refugees or compensation for their losses, or fulfilment of our hopes that rehabilitation and resettlement schemes might steadily decrease the number of refugees requiring relief. The situation of the refugees continues to be a matter of grave humanitarian concern and a serious obstacle to the ultimate stability and peace of the Middle East. There can be no permanent settlement until the problem has been, if not solved, at least greatly alleviated.

It is not an easy problem to solve, and no good purpose is served by pretending that the solution is simple, that it would come about if only one or other of the parties concerned would take some uncomplicated step. Those of us who are far removed from the scene must resist the temptation to prescribe facile remedies. We must recognize that the passionate feelings and the intransigent positions are not merely evidence of wilfulness but the inevitable products of bitter experience and suffering by all the inhabitants of this deeply troubled area. Because these passions have been further inflamed in the past few months, there seems less chance than ever of a solution, and yet it is our hope that the crisis will bring us to realize that things must now be done which have been left too long undone.

In this spirit I would like to say that we are disappointed that the Government of Israel has not yet seen fit to advance some positive offer of repatriation for those refugees who desire it or of compensation for those who do not. We regret also that the governments of neighbouring countries have not seen fit either to give full support to schemes for rehabilitation and resettlement of those refugees who would prefer this course and to reassure the refugees that UNRWA's programmes of rehabilitation are designed for their benefit. We neither ignore nor scorn the arguments of all these governments as to why such courses are not possible and we appreciate the difficulties involved, but we recognize also that charity and relief are the most temporary of solutions and that something more decisive and more painful must be done soon if the refugees are to be delivered before it is too late.

It is understandable that the governments directly concerned with the refugee question should take the attitude that in advance of a satisfactory general political settlement, steps we have suggested cannot be taken. But, Mr. Chairman, we are all well aware that the refugee problem is a major cause of political tension in the Middle East and an obvious obstacle to progress towards a general political settlement in that area. Governments concerned have the responsibility of seeking at least some partial solution to the refugee question as a vital step towards the restoration of stability and peace in the Middle East. Governments concerned must also recognize that UNRWA's relief programme is an interim measure pending the formulation and implementation of plans for a final settlement. They should not expect that member governments of the United Nations will be able or willing to contribute indefinitely to a relief programme of undiminishing proportions. Above all, a start must be made in finding a solution to this problem for the sake of the hundreds of thousands of persons, including a high proportion of young people, who are living unproductive and miserable lives.

Most Serious Problem

The most serious problem we face here, of course, is the Agency's precarious financial position. We have noted with concern the absence of broad financial support from governments to assist the Agency in meeting its commitments. The host countries have borne a substantial share of the burden of caring for the refugees. Among countries from outside the Middle East area, the United States has been an outstanding contributor, while the United Kingdom and France have also borne a large share of the Agency's financial responsibilities. We feel that we too have some right to speak because Canada, although it is a distant and not a very populous country, has made the fourth largest contribution to programmes in aid of the Palestine refugees. With respect to the UNRWA budget now before us, the Canadian Government intends to seek Parliamentary approval for a contribution of \$750,000 to the UNRWA relief programme for the current eighteen month fiscal period. This will bring Canada's contribution to UNRWA to nearly \$5½ million. We are taking steps which we trust will enable this contribution to be made available promptly when it obtains Parliamentary approval.

We appeal to other governments also to contribute to the work of the Agency at a time when it is in such great need. You will remember the Director's urging us the other day -- I quote him -- "to remember that we are not dealing here with abstract financial figures but with stark realities -- the lives and welfare of hundreds of thousands of men, women and children". It should be clear to us that if sufficient contributions are not forthcoming during the current fiscal year to finance the Agency's operations, the Agency may be required to liquidate some of its major operations and member governments will have then to contend with the inevitable human and political repercussions. We firmly believe that if the work of the Agency requires additional funds, they should be provided from additional sources. We see no reason why this essentially humanitarian work which the Agency is performing should not have the support of all members of the United Nations.

If sufficient funds are not forthcoming, then my Delegation sees no alternative to the Agency's taking steps to reduce its services. We still hope that the extent of contributions during the fiscal year will be such as to allow the Agency to maintain, if not to improve, its present facilities and services for the feeding, shelter and health of the refugees in its care and, in addition, to provide these facilities and services to those refugees who have not been registered with the Agency in the past but have gradually used up their resources and are now in great need. We think this latter category of bona fide unregistered refugees cannot be penalized for their earlier attempts at self-support and should be cared for, if funds allow it.

It is with much regret that we find that, in view of the Agency's limited funds and in the absence of action by the Government of Jordan to remove ineligible persons from the

relief rolls, the Agency has been unable to care for eligible refugee children born in Jordan since February 1951. We appreciate the difficulties of the Jordan Government, but nevertheless hope that it will soon see fit to implement the agreement reached between the Government of Jordan and the Agency in October 1955 on procedures for rectifying the relief rolls and for resolving the difficulties which impede the granting of rations to all qualified children in Jordan.

Rehabilitation Programme

Turning to the Agency's programme of rehabilitation, Mr. Chairman, I must again express our disappointment that political considerations have prevented steps being taken to implement the Yarmuk-Jordan and Sinai projects which, if undertaken, would make a significant contribution toward a solution of the refugee problem and would be of great economic benefit to the area. In addition to the political obstacles to rehabilitation schemes, the Agency now faces financial obstacles to carrying out any extensive programme of self-help projects. My Delegation welcomes the suggestion that the Agency contribute to plans for the general economic development of Jordan, but until such time as the Agency finds itself with more funds at its disposal, we do not think the Assembly should enlarge the Agency's mandate to permit expenditures by it upon general economic development programmes with which the immediate employment or self-support of refugees might not be directly connected. In our view, the Agency should undertake projects only where the money so spent will result in a proportionate reduction in the funds now required for the Agency's relief programme.

In regard to the Agency's educational facilities -- financed out of rehabilitation funds -- the Director's report has mentioned requests for an expansion of the programme. We attach great importance to the provision of greater educational opportunities to refugee children, but we fail to see how UNRWA can be directed to expand its educational programme at a time when its finances are shrinking.

It is, of course, our hope that the Agency will be able to pursue its present programmes of education and self-help projects, but we urge that this be done without prejudice to the Agency's primary responsibility for the feeding, shelter and health of the refugees. We, of course, concur in the assumption made by the Director in his report that if the Agency should find itself without sufficient funds to carry on all its present programmes, there should be no reduction in basic rations. We also believe that the Agency should endeavour to maintain the essentials of medical care. Indeed, it seems to us that health care is so necessary that it should be maintained in preference to any of the items, including education, now part of the rehabilitation programme.

Mr. Chairman, I regret that there is still another matter to regret -- the problem posed by the attitude on some matters of some host governments. The Committee will recall that, when establishing UNRWA in Resolution 302 (IV), the Assembly called upon governments concerned to accord to the Agency all the privileges, immunities, exemptions and facilities necessary for the fulfilment of its functions. Unfortunately, some of the host governments have failed to extend to the Agency the co-operation essential to the effective execution of its task. The interference of some host governments in the local operations of the Agency, as described in the Director's report, is serious. The Agency cannot be expected to continue operations in such circumstances. We appreciate the concern of the host governments with protecting their national sovereignty, but we believe that they must come to a decision. If they are unwilling during the remaining period of the Agency's mandate to allow the Agency the freedom it requires to operate in their respective territories, are they prepared to assume the direct operational responsibilities for the relief and rehabilitation of the refugees? If they are not, and if they take the position that in the remaining period of its mandate the Agency must continue to have full responsibility for the care of the refugees, then are they prepared to recognize that in order for the Agency to discharge its responsibilities it is essential that it have their co-operation and that it be free from unwarranted interference in its operations in their territories? Surely the host governments would be prepared to abide by the terms of Articles 104 and 105 of the Charter and to recognize that the Agency is free to recruit, direct and terminate the employment of its personnel according to its own best judgment. Moreover, it should be understood that the Agency has the right, after representations to the governments concerned, to suspend its operations in areas where local conditions unduly hamper the carrying out of its responsibilities.

My Delegation noted with interest the suggestion of the representative of the United States that the Director of the Agency should submit to the next session of the General Assembly, recommendations concerning the nature and extent of the Agency's future operations and responsibilities. By the end of this year, when his report will be made to this Assembly, it will be urgently necessary to have clear understanding of the arrangements for refugees which will be necessary during the transitional period before the Agency ceases its operation in 1960.

Perhaps the most difficult task facing the Agency will be to meet the humanitarian needs of the refugees of the Gaza strip. As if their plight in past years had not been agonizing enough, these helpless people now find themselves in a virtual no-man's land with no sign of safety or security even for the bare subsistence which the Agency has been able to provide. They suffered casualties during the recent fighting and its aftermath - we deeply regret this loss of life and the injury sustained. The future for these refugees is even more uncertain than the past. There can be no doubt that in their

uncertainty and distress these people urgently require - now more than ever - the care and assistance which the Agency is able to bring them within the scope of its financial and operational means.

We therefore welcome the Agency's decision to continue its services during the current emergency. We believe this work should - indeed must - continue, for experience has shown that the plight of the refugees become more acute in periods of crisis. This humanitarian work may require the Agency to seek the co-operation of the de facto administering power but this would be a matter of practical necessity and in no sense any form of recognition of the existing state of affairs. To the same end - that is, to provide the essential relief services of the refugees - we urge strongly that those authorities co-operate with the Agency and in particular to ensure that the Agency's personnel and its legitimate operations are not interfered with.

Mr. Chairman, I have taken time to touch upon the main questions that have been raised in this year's annual report of the Director of UNRWA, in the belief that these questions are of such urgency that they cannot be passed by. My Delegation sincerely hopes that our deliberations at this session regarding this item, conducted with a full sense of responsibility for the future of hundreds of thousands of persons, have contributed towards the solution of a most grave problem.

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STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS,
(OTTAWA - CANADA)

No. 57/16

CIVIL AVIATION IN CANADA

An address by the Hon. George C. Marler, Minister of Transport, to the Canadian Shorthorn, the Canadian Aberdeen-Angus and the Canadian Hereford Associations, London, Ontario, February 19, 1957.

...Civil aviation for commercial purposes began shortly after the First World War. After the initial enthusiasm for exhibition flights and pleasure flying had subsided, aviation settled down to serious pursuits.

It was not long before it was discovered that aircraft were exceedingly useful for the protection of our forests and for aerial surveys, and as early as 1920 aircraft were being widely used for these purposes. A short time after, in the autumn of 1921, the discovery of oil in the Mackenzie River basin led to the first attempt to establish air transportation on a large scale in the Far North. Later on, in 1924, Laurentide Air Services inaugurated the first air transport service for passengers and goods to meet the needs resulting from the expansion of the mining industry in north-western Quebec.

Starting from these humble beginnings, commercial aviation expanded rapidly, though this expansion was more spectacular in the north than in the more settled parts of our country. This is easily explained. In most cases transport by alternative means was difficult, costly and slow over the long distances to be covered, whereas transport by air was facilitated, and indeed stimulated, by the very geography of the north. The lakes, with which our north country is dotted, afforded ideal landing places for aircraft equipped with floats in summer and skis in winter, and for this very reason flying in the north expanded rapidly and rendered an increasingly valuable and economic service.

The situation was very different in the older and more settled parts of Canada, where the conventional means of transportation were well established and in some places even over-developed. To these parts of our country, the only advantage which air transport could offer - a saving of time - necessitated the organization of a network of ground installations costing substantial sums. For these reasons, the development of

interurban services had been left in abeyance until progress elsewhere had given a clearer and more definite indication of their usefulness. This was not too long in developing.

By 1927 the success of interurban air services in Europe and the continued expansion of the airway network in the United States moved the Canadian Government to reconsider its policies. With a view to establishing a chain of airports across the country and of training personnel, the Federal Government initiated the flying club movement by offering subsidies and gifts of aircraft to flying clubs. The airports built by them pursuant to this policy and by municipalities under other arrangements constituted the nucleus of the trans-Canada airway. The Government made the further contribution of undertaking to build at its own expense the intermediate airports, and of installing the lighting systems and providing the meteorological and radio services. The establishment of a chain of airports from the Atlantic to the Pacific, however, was a formidable task because of the distances involved and the economic conditions of the times; and it was only in 1939 that the last segment of the trans-Canada airway, that between Montreal and the Atlantic coast, was finally completed.

While this development was going on, the Government took another important step when in 1937 it introduced a measure providing for the organization of Trans-Canada Air Lines, with a view to establishing an air service from one end of the country to the other. Considering the remarkable progress that has since been achieved by TCA, it is interesting now to read what was said in the House of Commons when this legislation was being debated. The then Leader of the Opposition, the Honourable R. B. Bennett, warned the Government against trying "to keep up with the Joneses", if I may use Mr. Bennett's very own words. But whatever may have been the doubts which existed at that time - and it is not surprising that there were doubts - what has happened since establishes very clearly that Canada did not undertake something that exceeded her capacity.

Continual Expansion

In fact, since 1937 there has been a continual fanning out or expansion of air services in Canada. I shall not tire you with a tedious account of what took place in the many different parts of our country. It will be sufficient if I merely remind you that TCA has provided and continues to provide the trans-continental service, but that at the same time it serves a large number of centres of population which are not located on the trans-continental airway, while the lateral, or regional, routes are served by a number of privately owned companies. Of these I may mention particularly: Canadian Pacific Air Lines Limited, or CPA, which operates scheduled services in the west and in northern Canada over a network of approximately 10,000 miles in length. They fly from Vancouver to Whitehorse and Dawson City in the Yukon; from Edmonton to Yellowknife and on

to Aklavik, on the shores of the Arctic; from Regina to Saskatoon, Prince Albert and Edmonton; and from Winnipeg to Flin Flon and Churchill. Trans-Air, formerly known as Central Northern Airways, operates routes from Winnipeg and Red Lake. Pacific Western Air Lines serves a number of other routes in British Columbia, and a subsidiary provides services in northern Alberta. Maritime Central Airways meets the needs of the Maritime Provinces, while Quebecair operates in the Lower St. Lawrence and provides a link between the Lower St. Lawrence and the capital city of Quebec.

In addition to these scheduled services, there are 229 operators who work from bases all across Canada and provide service to individual clients, generally within a relatively restricted area.

In addition to these domestic services operated exclusively by Canadian carriers, there are a number of trans-border services. Some of these are operated exclusively by one carrier, but those on which the traffic is heaviest - between Montreal and New York, and between Toronto and New York - are operated by TCA in competition with Eastern Air Lines at Montreal and with American Air Lines at Toronto. As Canadians, you will be glad to know that though the two American carriers I have just mentioned are giants of the aviation industry, our own airline, TCA, carries more than half of the traffic on these two routes.

Canadian carriers operate other services. You may travel by TCA to Florida, to Bermuda and the Caribbean, while CPA will take you either from Vancouver or Toronto to Mexico City and even to the distant parts of the western coast of South America.

Canada is also well provided with service across the Atlantic. TCA has a daily flight to London, England, with one flight per week continuing on to Paris and another to Dusseldorf, Germany, and this frequency is increased during the summer, while service from Montreal is also provided to Paris by Air France, to London by British Overseas Airways, to Amsterdam by the Dutch line, K.L.M., and to Germany by Lufthansa. A further service between Toronto, Montreal and Lisbon to be operated by CPA in connection with its service from Mexico City was authorized last week by the Government.

Canada is also well represented in the Pacific. CPA has a service between Vancouver, Tokyo and Hong Kong and another between Vancouver, Hawaii, Fiji, Australia and New Zealand. This company in 1955 inaugurated a service across the polar regions between Vancouver and Amsterdam, thus establishing between Europe and Australia on the one hand, and between Europe and the Far East on the other, an integrated service, free from the red tape and formalities which irritate passengers and delay the movement of air freight. CPA was not the first carrier to operate a regular service over the polar regions; this honour rightfully belongs to the Scandinavian Air lines which, in November, 1954, inaugurated a weekly service between Los Angeles

and Copenhagen over a route involving refuelling stops at Winnipeg and in Greenland.

The existence of these services across the Far North serves to emphasize the geographic importance of Canada in international aviation, and the popularity of the two services which I have mentioned suggests that other similar services are likely to be established some time in the future.

I think I should point out that as a rule international services are established only after the negotiation of a bilateral agreement between Canada and the other country concerned. Upon our part, we do not grant traffic rights in Canada unless we receive in exchange traffic rights in the other country which we consider of equal value, and it is no longer our policy to grant to a foreign carrier the right to serve more than one point in Canada or to operate a service in Canada.

Remarkable Growth

This summary description of the routes now served by Canadian carriers gives you a good idea of the development of air services that has taken place in Canada since 1937 when the Government decided to establish a service from coast to coast. Now I don't want to burden you with a lot of statistics, but I would like to give you in capsule form just a few figures to show the remarkable growth that has taken place during a relatively short period:

Passengers: 1936 - 125,000; 1946 - 525,000; 1949 - 1,040,000; 1953 - only four years later - 2,273,000; and 1956 - an all-time record of about 3,300,000. Mail: 1936 - 1,000,000 lbs.; in 1956 about 27,000,000 lbs. Freight: 1936 - 25,000,000 lbs.; 1956 - which includes a substantial volume of supplies for the DEW Line - about 300,000,000 lbs.

I am sure that you appreciate that this remarkable expansion has set a pace which has been difficult to follow. While it was going on, larger and faster aircraft were being produced, better and more complex electronic equipment was being devised, and the weight of our responsibilities in the field of aviation continued to become heavier.

Let me illustrate what I mean.

Take first the runways from which the aircraft take off and on which they land. In 1937 a runway 3,500 feet long was entirely adequate for the aircraft of those days, whereas in the last few years it has been necessary for us to build runways 6,000 or 7,000 feet long for certain types of aircraft. And it is expected that in 1960 the jet aircraft which will then be in service will need runways 9,000 and perhaps even 10,000 feet in length. The length of the runways, unfortunately, is not the only consideration. The load that they are capable

of supporting is also a very important factor. In 1937 few aircraft weighed over 20,000 lbs., whereas today many aircraft weight 120,000 lbs. and even 135,000 lbs.; and the jet aircraft I have just mentioned will probably weigh as much as 285,000 lbs.

Obviously, our responsibilities do not end when we have built runways suitable for the aircraft which are to use them. We must also install at our airports and on our airways the electronic equipment necessary to facilitate the navigation of aircraft in flight and to assure their safety at all times. You may judge the magnitude of this responsibility when I tell you that we have in Canada 18,000 miles of airways, and that 16,000 miles are provided with navigation aids. At the present time most of these airways are equipped with low frequency radio ranges, which guide aircraft along the airways between one airport and another. Though for years these radio ranges were the best equipment available, not very long ago someone invented a more modern radio range giving better service and called the visual omni range, or VOR. VOR operates on a high frequency and, whether he is on the airway or not, the pilot may take a bearing on the station and locate his position anywhere within its range. Moreover, instead of listening continually on earphones to an audible signal, the pilot can see the VOR signal on his instrument panel and verify whether or not he is in fact flying over the route which he wishes to follow.

It was necessary, of course, for us to adopt this new equipment and to undertake its installation. We have completed the installation on the airway between Montreal and Windsor and are in process of installing it on the airway between Toronto and Winnipeg. As the equipment becomes available, we shall continue with the installation on the other segments of the trans-Canada airway. But the point I want to emphasize is that these VOR radio ranges have to be installed about 40 miles apart, and cost, installed, about \$50,000 each; so you see that this single item, the existence of which is unknown to most air travellers, represents a pretty substantial expenditure.

To permit the use of airports at night, we are obliged to provide lighting systems and to facilitate their use in bad weather we have to install instrument landing systems, or ground control approach. These installations are very expensive but, of course, they increase greatly the utility and efficiency of the airport and add an important measure of security.

The movement of aircraft over the airways is directed by what is called air traffic control. The control centre is at all times in communication by radio with the pilot so that the controller may estimate the position of the aircraft from time to time as it flies along the airway. With the increase in the number of aircraft on the airways and in their speed, it has become necessary to know much more precisely the position of aircraft in flight between specific points. You may readily appreciate the difficulty of working only on estimates and the

consequences of a slight error, when I tell you that jet aircraft fly at a speed which may exceed 600 miles per hour, because in the space of a single minute a jet aircraft may travel as much as 10 miles.

Consequently, in order to maintain at a high level the security of air travel, we have undertaken the installation of surveillance radar at 15 of our largest airports. Each of these stations will permit the traffic controller to determine the position of any large aircraft within a radius of 135 miles and up to an altitude of 50,000 feet, and, accordingly, to exercise a much more effective control over the movement of aircraft on the airways. When we have completed the installation at these 15 points across the country, the whole trans-continental airway from one end to the other will lie within the range of these radar stations. It is, of course, obvious that these radar stations will add greatly to security in the air and meet a need which is becoming more urgent, but the total cost will run to about \$8,000,000.

I hope that what I have just told you gives you a good idea of some of the consequences of the development of faster, heavier and more modern aircraft, and also how modern electronic equipment adds to the security of air travel and also to the amount of our expenditures for aviation.

But these are by no means the only problems which developments in aviation have created. Modern aircraft carry a great many more passengers than they did in 1937. It was fairly easy to build a terminal building capable of accommodating the 10 or 12 passengers who might step out of a Lockheed Lodestar, the first type of aircraft which TCA used; but it is not so easy to build a terminal to accommodate in comfort the 40 passengers who may alight from a Viscount, the 60 who may descend from a North Star, or the 70 who may emerge from a Super Constellation which has just landed. You can well imagine, too, how much the situation is aggravated when several of these large aircraft arrive more or less at the same hour, or, worse, still, when several large aircraft are delayed at the same place by weather conditions.

Of course, we have been well aware of how desirable it is to develop more comfortable and more spacious buildings for air travellers but, as we had to begin at the beginning and place first things first, we have not been able to build all of the terminal buildings we would have liked to have. However, we have made some real progress and I do not think that by and large our situation is worse than in other countries where aviation has expanded as rapidly as it has in Canada.

I do not want to give you the impression that little has been accomplished up to the present. My own Department has completed new terminal buildings at Moncton, Seven Islands, the Lakehead, Saskatoon, Comox and Sandspit, and we will soon complete new buildings at Quebec City, Windsor, Stephenville and St. John's, Nfld., while municipalities, with some government assistance, have

built new buildings at Calgary, Saint John, N.B., Sudbury, Timmins, Rimouski and at one or two other places. The Department of Transport, in addition, has three very large projects on which construction is progressing, which will involve an aggregate outlay of nearly \$20,000,000, and is developing plans for other terminals which will be built when circumstances make it seem more expedient than it is at the present time.

This, I hope, will give you a good view of what has been taking place in Canada in the field of civil aviation, and enable you to understand some of the difficulties which we have to overcome. Perhaps, too, what I have said will lead you to judge us sympathetically if, for some good reason or other over which we have no control, your departure by air is delayed, and you are obliged to wait with a lot of other people in one of our crowded terminals. I hope that if this misfortune befalls you, you may find some consolation in recalling that we have tried always to place security of air travel ahead of all other considerations. Having done that, we are now taking active steps to provide more in the way of comfort for the travelling public and more agreeable and more commodious terminals for their use.

The Years Ahead

What does the future hold for us in this field of activity? I shall not attempt to play the part of a prophet and I shall only relate to you what we have been told by authoritative sources. By 1960 we shall have jet aircraft in Canada which will be capable of carrying from 100 to 150 passengers at a speed of between 550 and 600 miles an hour, and which will weigh as much as 285,000 lbs. We can easily appreciate how much the arrival of so many passengers at the same time would tax the facilities of our terminal buildings, but at our major airports to be served by aircraft of that type we are providing for traffic of this kind. Speeds of 600 miles an hour will undoubtedly complicate enormously the control of air traffic, particularly when traffic moving at such high speeds must mix with slower moving aircraft, but we believe that the radar stations which I mentioned earlier will enable us to exercise efficient control over all traffic.

For the airlines themselves there will be other problems, because the much higher speeds of jet aircraft will give rise to new and complex problems. It will be possible with jet aircraft to cross the Atlantic and return during the same 24-hour period, and to travel from Montreal to Vancouver in $4\frac{1}{2}$ hours instead of 11 hours and 40 minutes as at present. The volume of work - i.e. the number of passenger-miles - done by the new aircraft will be enormous - so will their cost. It is a fact that 150 of the new aircraft will in a single year be able to carry as many passengers as the 4,500 multi-engine aircraft now in the service of the world's commercial airlines.

In the 10 years which ended on 31 March 1955, the Department of Transport spent for capital purposes more than

\$115,000,000 on its own behalf, and further sums exceeding \$65,000,000 on behalf of the Department of National Defence. Since 31 March 1955, we have made other expenditures which bring the total for this relatively short period to more than \$200,000,000. We believe that we shall have to go on spending large sums to meet the prospective needs of aviation in Canada. Though it is difficult to know just how much is involved, I shall not be surprised if the total runs between \$200,000,000 and \$300,000,000, but I cannot say just how soon we shall spend these amounts because we must take account of economic and other conditions and we must also remember that the aviation picture is constantly changing.

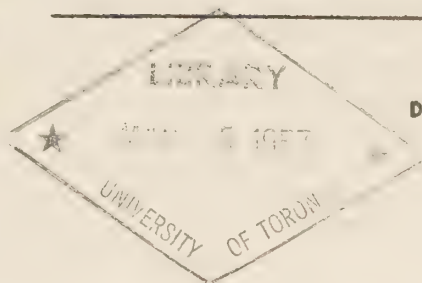
As we undertake the projects that must be carried out at airports all across Canada, I hope that you will understand that these works are a necessary part of the task of maintaining aviation in Canada in the place where it belongs and so it may best serve all of the Canadian people.

S/A



STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA



No. 57/17 STATEMENT BY MR. L.B. PEARSON, CHAIRMAN
OF THE DELEGATION OF CANADA, UNITED NATIONS
GENERAL ASSEMBLY, February 26, 1957.

MIDDLE EAST

We are now reaching, if indeed we have not already reached, the point of no return in our effort to deal with the problems arising out of military intervention in the Suez area begun last October. So where do we go from here? Not, I hope, in a direction which would tend merely to harden existing antipathies or, in the words of the Secretary-General, to introduce "new elements of conflict."

The Canadian Delegation, like many other delegations here, has tried to take an objective and impartial position in dealing with the problems which came to a head when Israel's military action in the Sinai Peninsula began last October. We are not influenced by a desire to support either of the contestants at the expense of the other in our efforts to find a means of bringing to an end a conflict which has been growing in intensity over a period of some years. We are solely concerned with finding the best policy to pursue in order to resolve a series of difficult problems by means which will bring peace and security to the people of both countries. We have no other interest than this.

The problems with which we are dealing go deeper than the immediate issue of withdrawal of military forces. They have their roots in the past and are terribly difficult for both parties to the dispute. They are also fraught with danger to the peace of the world as well as to the peoples immediately concerned. This Assembly has a duty to avert that danger and to insist that it will not lead to violence.

We realize that the issues before us will never be truly solved if we are content to let our minds become submerged in tales of past tragedies. These, it is true, have given just cause for grief and bitterness on both sides, but we can scarcely hope for success if we allow ourselves to be persuaded that the record of violence in the past justifies a

policy of violence today. We cannot, of course, ignore the past, for it is impossible to deal effectively with this problem unless we have thoroughly studied its origins from every point of view and with respect for the needs of all the people concerned by it. But if we allow our minds to be dominated by the unhappy precedents of violence and reprisal which have made up so much of the recent past of this area, then it is hard to see how we can devise any solution which will in the long run be satisfactory to both sides.

As I see it, the problem is basically one of fear, which breeds distrust and animosity and conflict. There has been fear on the one side of extermination by neighbours whose hostility to the creation and continued existence of the State of Israel has been strong and unremitting. It is difficult for people to act with the moderation and restraint through which wisdom expresses itself if they believe that they themselves live in the shadow of destruction and are uncertain about their very survival as a nation.

The fear from which the people of Israel suffer, the fear which explains the violence of reprisals which they have taken against their neighbours, will be on the way to elimination when the Arab states are willing to recognize Israel as a sovereign state, and its right to national existence within accepted boundaries and under conditions of life tolerable to its people. There were some signs a year ago that we might at least be approaching a time when the Arab states would be willing to grant Israel this recognition. Unfortunately, the events of last autumn have reversed that trend. It must now be one of our major aims to help set again in motion the forces which will lead to the early recognition of Israel in normal terms by its neighbours, and thus to the removal of fear.

On the other side, however, there is also fear, which has led to extreme views, to extreme policies and to violence. Among the Arab states there is a deep and understandable apprehension that the displacement of population and the political tension already associated with a new state, most of whose citizens have come from abroad, a new state established in the midst of the Arab people may be followed by still further dislocations owing to the pressure of immigration into Israel, backed as that state is by strong international pressures and international resources. There is a fear that Israel will yield to expansionist ambitions, which is the counterpart of Israel's own fear of Arab intentions. This has bred in the Arab world animosity and violence toward Israel. When that fear is dissipated we may count on moderation in the attitude of Israel's neighbours toward that state. We cannot but agree that if Israel has a right to live and prosper, freed from the fear of strangulation by its neighbours, the Arab states also have a right to feel confident that Israel will not attempt to expand its territory at their expense; the right to be assured that if Israel, however, should at any time develop such ambitions it will receive

no encouragement, but meet only opposition on both the official and the non-official level from the outside world, an opposition which would result in the isolation of the State itself from any international assistance or support.

It is in this shadow of the past and the present, of fear on both sides, that we have to consider the problem which is immediately before us. As I see it, that problem is one of securing a firm and agreed basis for the withdrawal of Israel from those places which she still occupies beyond the armistice demarcation line; a basis which can be used to increase security and create conditions conducive to peace. If we do not secure such a basis, we may fail completely to bring about this withdrawal - with consequences which will be tragic for us all, and perhaps especially for Israel. As I have said before in this Assembly, it is not a question of rewarding or punishing; of laying down conditions or refusing conditions; it is a question of associating the withdrawal of Israel with arrangements which should remove the necessity, or at least minimize the possibility, of facing this same problem a year or two years from now.

From the very beginning of this crisis, the Canadian Delegation have tried to keep in the forefront of its thinking on this question the importance of finding a solution not merely for the problem posed by military intervention, but of that posed by the conditions that brought about the intervention.

It was in that spirit that we advocated the establishment of UNEF. We felt that by its action in bringing about an end of fighting, the Assembly was accepting responsibility for pursuing two related aims: the immediate aim of supervising and securing the cease-fire, and the longer-range objective of helping to create conditions in which it might be possible eventually to settle fundamental problems. We have insisted, even in the earliest days of this crisis, that a return to stability would not flow merely from words or acts of condemnation; that punishment was not a substitute for progress.

Now, more than three months later, we are confronted with the need to strike a similar balance between the immediate and primary objective of securing the completion of Israel's withdrawal; and that of achieving this in such a way that withdrawal will be accompanied by helpful and fruitful results. I repeat that we refuse to consider these as unrelated objectives, even though priority in time must be given to the first, withdrawal. We still require to believe that they cannot be achieved without adopting proposals for forms of pressure which would be an admission by the Assembly of complete and final failure to solve this problem constructively. Our Delegation does not believe that we should yet admit any such failure. We think that there is still a way of bringing about withdrawal by spelling out the detailed arrangements which would follow, and which would strengthen security and prepare the way for pacification. In its resolution 461 of February 2, the Assembly indicated in general terms the necessity for such arrangements. We should

now, before deciding on other measures, follow up that indication with something more concrete and specific.

We think that both parties should be willing to accept any recommendations to this end which are satisfactory to the majority of the members of the Assembly. If Israel refused to withdraw its forces immediately on the passing of such a resolution, she would be taking on a very heavy responsibility indeed and would forfeit our support and invite other measures by the Assembly.

In our view, the arrangements which we should now agree on to follow withdrawal and which would ensure that such withdrawal would help to bring about conditions which promise greater security and stability might include the following:

First there should be a firm pledge by the Governments of Israel and Egypt to observe scrupulously the provisions of the 1949 Armistice Agreement. But when we talk about scrupulous observance of the Armistice Agreement, we should mean, not some of its provisions, but all of them. What are they?

First, the establishment of an armistice demarcation line, which is not a political or territorial boundary, but which cannot be changed except by agreement between the two parties. Also the agreement prohibits any form of aggressive action, warlike or hostile acts, if you like, belligerent acts, or resort to force by the land, sea or air forces of either side. They establish the rights of each side to security and freedom from fear of attack. They do not prejudice or confirm any political or territorial rights or claim or boundary, but they do establish Egypt's administrative control over the Gaza strip without giving her any rights of territorial sovereignty there. They provide for the deployment in certain areas on both sides of the demarcation line of defensive forces only, and they define what "defensive" means for this purpose. They provide for the total exclusion of Israeli and Egyptian armed forces from the El Auja demilitarized zone.

Second, the Secretary-General and the Commander of UNEF should make arrangements with the Governments concerned for the deployment of UNEF on the armistice demarcation line. This deployment which should be made effective with the minimum of interference with civilian life or activity would be for the sole purpose of putting the force in a position:

- (a) To assume certain duties of the Truce Supervision Organization under the Armistice Agreement between the two states;
- (b) To assist in the prevention of incursions, raids and retaliatory attacks across the armistice line in either direction;

- (c) Generally to maintain peaceful conditions along both sides of the line.

Third, Gulf of Aqaba and Straits of Tiran.

It should be agreed and affirmed that there should be no interference with innocent passage through or any assertion of belligerent rights in the Straits of Tiran. Israeli troops, on their withdrawal from the Sharm el Shaikh area, should, as the Secretary-General puts it in his report of January 24, "be followed by UNEF in the same way as in other parts of Sinai", in order to assist in maintaining quiet in the area and in preventing conflict. This would be in accordance with the purposes already laid down by this Assembly for the force.

Fourth, Gaza strip. This is perhaps the most complicated and difficult of the arrangements to be decided, as it has political, social, economic, and humanitarian aspects. We are dealing here with three hundred thousand people, not merely with territory.

I should like, therefore, to go into this problem in somewhat more detail.

The Gaza strip was a part of the mandate territory of Palestine. It is not Egyptian territory. Its indigenous population of 60,000 to 70,000 is Palestinian Arab, and is now greatly augmented by some 267,000 refugees, also Palestinian Arabs. It was occupied by Egypt immediately after the termination of the British mandate in May, 1948. This occupation pending final settlement was acknowledged in the Egyptian-Israeli Armistice Agreement of 1949. Egypt has not annexed the strip and claims to have no intention of doing so. The territory had never been occupied by Israel prior to the 29 October, 1956 invasion, and since then Israel has also disavowed any intention of annexing the strip, though measures and plans for economic development of the area, taken or projected, may indicate an intention to open the territory to Israeli settlement. Should this happen, however, the result would probably be that most of the indigenous Arab inhabitants of the strip would eventually be forced into dependence or destitution as the territory cannot support even the small normal Arab population. Surely there would be little logic to an arrangement whereby Israel would assume responsibility for the administration of a territory not belonging to it, and where it remained in opposition to a decision of the U N Assembly and against the wishes of the Arab inhabitants, for most of whom, as refugees, Israel in these new circumstances might also have to accept responsibility. In the discharge of its responsibilities for refugees, the U N has not recently enjoyed satisfactory relations with the administration of this territory. That situation would be even more difficult, perhaps impossible, if Israel remained in control in the conditions I have just mentioned. The effect of a controversy of this kind would be disastrous for the Arab refugees in Gaza and serious for the Arab refugee problem

as a whole. Nor could the U N take on any new role for security in and against the Gaza strip if Israel insisted on remaining there in spite of the Armistice Agreement and of repeated U.N. Assembly decisions that she should withdraw. Yet the key issue in this area, from the Israeli standpoint, is security against any resumption of incursions or raids into Israel from Gaza territory.

From the U N standpoint, this is also the key issue; how to provide security on both sides after Israeli withdrawal, on the basis of the Assembly's resolution of November 2, 1956, and of later resolutions, as well as of the reports of the Secretary-General.

Continued occupation of the Gaza strip by Israeli armed forces or by Israeli police and civilian administration after the withdrawal of her troops, and in the face of bitter Egyptian hostility, cannot in my view, give the security sought, for the following reasons:

(a) The prolongation of Israeli occupation of non-Israeli territory in the face of Assembly decisions to the contrary, and in violation of the Armistice Agreement will only incite new provocations, perhaps of greater magnitude than any hitherto. The emotions aroused would be almost certain to increase the likelihood of a resumption of incursions and raids from outside the strip, even though the protection afforded against them might be increased within the strip.

(b) Israeli occupation of Gaza would only shift a little to the southwest the line between Israel and Egypt across which the raids might come. Since there will always be a line or frontier between Egypt and Israel, the only sure way to stop the raids across the Egyptian Israeli border, wherever it may be, is by political action based on the sincere will of the Governments of Egypt and Israel, with U N assistance and supervision, to end such raids and incursions and to abide by the terms of the Armistice Agreement. Assurance of this intention, given by the Government of Egypt, has been repeated by the Secretary-General in his last two reports. It seems obvious that continuing Israeli occupation of non-Israeli territory beyond the armistice line will nullify that assurance. It seems equally obvious that such assurances without any intervention by the U N to facilitate and ensure their actual fulfilment are not likely to satisfy the Israeli Government. The problem is, therefore, two-fold, and requires for its solution Egyptian and Israeli and U N action.

What, then, should be the nature of this action? First in priority and essential to all other steps, Israel should withdraw from the Gaza strip. This action would be in accordance with the previous decisions of the Assembly, and implicit in a

return to the scrupulous observance of the Armistice Agreement.

At the same time, the Assembly should now provide for effective U.N. action to ensure that the area would not be used as a base for raids and incursions against Israel after its withdrawal.

I have just spoken about the deployment of UNEF along the demarcation line. In the Gaza strip, this deployment would serve not only as an effective interposition of UNEF between the armed forces of Egypt and Israel, but as a screen against incursions, raids and retaliatory attacks across the line from either side. Furthermore, in a transitional period, UNEF and other appropriate agencies of the U.N. would be given functions within the Gaza strip which would contribute towards safeguarding life and property, would guarantee good civilian administration, would assure the maximum assistance to the Palestine refugees there, and would protect and foster the economic development of the Gaza strip and its people.

In this regard we have heard with great interest the expression of confidence by the Secretary-General on the attitude of the Government of Egypt towards the necessary arrangements in the Gaza strip with regard to the withdrawal of Israel. Such a statement by the Secretary-General is not to be taken lightly.

The military aspect of withdrawal is relatively uncomplicated. Immediately the Israeli forces leave, the UNEF should enter. As the Armistice Agreement limits Egyptian forces to "defensive" elements only, and as the UNEF will already be deployed along the armistice line, and as the strip is so narrow, the Government of Egypt should not envisage the return of her armed forces to this area after the Israeli troops have withdrawn.

So far as the civil administration of the territory is concerned, the position is more difficult and more complicated. Legally under the Armistice Agreement, the civil administration is to be Egyptian and not Israeli. But there are important practical considerations which qualify this legal position and which cannot be ignored in the replacement of the present administration. It is perfectly clear that we should not simply command the Israeli civil administration to depart in a night. Any one who believes that this is possible should study carefully the special report of the Director of UNRWA on the agency's operations in the Gaza strip and ponder upon the situation which exists in that area. We have here an extremely explosive situation which could very easily get out of control. In this tiny area are crowded over two hundred thousand refugees and a much smaller native population. They are bitter and frustrated, administered by strangers; rebellious, riven by frictions, and in a mood, I have no doubt, to erupt in violence and bloodshed once firm control is removed.

There has already been more than enough murder in the Gaza strip, and the U N cannot be indirectly responsible for more. We owe protection to the refugees and we certainly owe protection to the servants of U N relief and works agency who have been carrying on so heroically in the face of such obstacles, difficulties and dangers in the Gaza strip. Provision, therefore, must be made for a peaceful transition from the administration of Israel to something no less strong and effective and at the same time more generally acceptable. Such a transition can be effected only by negotiation, and such negotiation, which should be both speedy and thorough, can only be conducted by direct agents of the U N. There is no sense in pretending that, under present circumstances, it could be undertaken between Egyptians and Israelis alone. The good offices of a third party must be interposed, and this can only be the U N.

This is all the more desirable because after Israel's withdrawal, the U N should, in our view and by agreement with Egypt, accept responsibility to the maximum possible extent for establishing and maintaining effective civil administration in the territory; in fostering economic development and social welfare, in maintaining law and order. UNRWA is already there, with an experienced and efficient administrative nucleus. The U N could also provide other help through the U N technical assistance machinery, the resources of its Secretariat, and expert consultants recruited for specific purposes. In this way there would be built up in Gaza, in co-operation with Egypt and with Israel, a U.N. civil administration.

To co-ordinate and make effective arrangements to this end the Secretary-General might decide to appoint a U N Commissioner for Gaza. Working with the Commander of UNEF and the Director of UNRWA, and after consultation with Egyptian and Israeli representatives as well as with refugee and other local Arab leaders, he could arrange to bring about with all possible speed the replacement of the present Israeli civil administration of the area. In this way, and perhaps in this way only, we should be able to effect the withdrawal of Israel, with order and speed, and in such a manner as to protect the interests of the inhabitants, and of both Egypt and Israel as well.

After the replacement had been completed, this U N Commissioner should, in my view, remain in Gaza where he would have chief responsibility for all U N activities there, including those of UNEF inside the strip. He would be concerned with the supervision of the Armistice Agreement, including maintenance of the cease-fire observers' functions, checking and reporting on alleged incidents of violation. In discharging these responsibilities he would work through UNEF rather than UNTSO, though this would be without prejudice, of course, to the role of UNTSO in the other three armistice agreements.

In view of the status of the Gaza strip, however, as an area not belonging to the sovereign territory of any neighbouring state, any arrangement for the administration of the territory such as that outlined above must be considered as an interim measure pending final agreement as to the proper disposition of the territory. That final agreement is the responsibility of the U N and it should be met and discharged after these interim arrangements have been completed.

Mr. President, I venture to submit these proposals to the Assembly because I believe they will provide a basis not only for the essential and prior withdrawal of Israeli forces, but for a better and more peaceful state of affairs than that which has existed previously. They may not be perfect proposals, and I realize they will not fully meet the wishes of the two parties to this conflict. This programme is admittedly a compromise, as any resolution based on it would be a compromise. But it is meant to be a constructive compromise, which may lead to further steps that will make for lasting peace. That is the spirit in which it is submitted.

S/C

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WEST NEW GUINEA

Statement by Mr. J.W. Holmes of Canada, in the
First Committee of the United Nations General
Assembly, New York, February 27, 1957.

We find this debate distressing because it involves a conflict of views between countries which we consider to be our good friends. It is a difficult question, and one on which there are on both sides strong views sincerely held. We have studied these views seriously and earnestly, not just in preparation for this debate, but on many occasions during the years since the founding of the Indonesian Republic.

It has been our view in the past, and it still is, that if there is a genuine legal dispute on the status of West New Guinea, as there appears to be, it should be referred to the International Court of Justice for a decision. Although it has been said that this is a political rather than a legal dispute, we have listened to considerable and very well-reasoned arguments from both the Indonesian and Netherlands Delegations on the constitutional position of West New Guinea. It would certainly assist in reaching a fair judgment on this subject to have the opinion of the best international authority. Unfortunately, however, it has not been possible as yet to seek the decision of the International Court.

In the absence of such a decision, I am bound to say that we have not been convinced of the argument for a change in the status of this territory. I would like to assure the representative of Indonesia that we have listened to his moderate and reasonable exposition with great care, with sympathy, and with a strong desire to understand the point of view of a country in the position of Indonesia. My country has proved many times its sympathy with all countries engaged in the arduous endeavour to establish and develop their own governments, and I know that our friends in Indonesia will recognize that our views on this matter of West Irian are not the product of prejudice. It is just that we cannot, with all due respect, understand why the people of West New Guinea should be annexed to a country with which they have had only the most

fortuitous connection in the past. I quite understand the argument of the representative of Indonesia that the fact that the inhabitants are different in race is not conclusive because Indonesia is a state which is not based on race or religion. I not only accept this argument, I honour it, for we Canadians have long believed that the state based on the union of races and languages is a higher conception than that of the uni-racial and unilingual state. However, one must be careful of this argument. It cannot be used as a reason for extending the state to include races which have no desire to be included. It does not seem to us that there is any clear evidence of a desire on the part of the inhabitants of West New Guinea to join Indonesia, and it seems to us a fact that the Indonesian Government has passed over this aspect of the question somewhat lightly. The Netherlands Government, in our opinion, should continue to administer this territory with the purpose, which it has constantly avowed, of educating and assisting its people to the point when they can govern themselves and choose their own destiny. If, when that day comes, they choose to affiliate themselves with Indonesia, the situation would be quite different. It may be, of course, that they would prefer to remain a state to themselves or to join with the peoples, more closely related to them, in other parts of the island which they share. But these are questions which the people of West New Guinea should decide for themselves when the time is ripe, not questions which should be decided for them by this body. If we are, as we are constantly urged, to liquidate the empires of the past, I see no reason why we should impose forever on peoples now dependent a pattern of nationality for which the only justification would appear to be the imperial structure from which they have emerged.

What really bothers us most in this debate, I must say frankly, is what seems to us a regrettable lack of consistency on the subject of self-government and self-determination. We hear a great deal in this body about the evils of colonialism. Canadians strongly support the development of self-government and autonomy in colonial lands; we are members of a Commonwealth of Nations founded on the essentially anti-colonialist principle of the growth of self-government and independence. Our attitude is based on an unshakeable belief in the efficacy of self-government and a recognition of historical processes. It is not based on a belief in the wickedness of the inhabitants of any particular continent or of great powers. And it is not based on any pre-occupation with race.

In speaking thus of colonialism I trust my Indonesian friends will not think I am implying any desire on their part to exploit the people of West Irian. I believe in the sincerity of their intentions as described here. But it does seem to me that no transfer of the land and people of West New Guinea can be justified simply on the grounds that an

Asian country would like to take over the territory from a European country. Surely, at the very least, we are entitled to the opinion of the International Court on the legal issue, and, when it is possible, the opinion of the people of West New Guinea themselves, exercising their right to determine their own future.

In the light of these views the Canadian Delegation can see no virtue in the draft resolution tabled by thirteen delegations. The only interpretation to be placed on this resolution, taken in conjunction with the statements of the distinguished representative of Indonesia, is that we should now accept and agree to the transfer of sovereignty to Indonesia without benefit of any legal judgement, and in the absence of any indication of the wishes of the people concerned.

s/c



STATEMENTS AND SPEECHES

INFORMATION DIVISION
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No. 57/19

SOVIET COMPLAINT OF UNITED STATES
INTERFERENCE IN EASTERN EUROPE

Statement by Mr. J.W. Holmes in the Special
Political Committee of the United Nations
General Assembly, New York, on February 27,
1957.

My intervention will be brief. It does not seem to my Delegation necessary to waste the Committee's time in refuting allegations which no one can be expected to take very seriously, and which have already been rejected with force and dignity by the Representative of the United States. I wish to go on the record merely to avoid any possibility that our silence would be misinterpreted. The charges made by the Soviet Delegation make no sense at all to those of us who know the United States as we do, and the efforts it is making to give leadership in the maintenance and extension of freedom and self-government in the world.

The most depressing aspect of this debate is that the Soviet Delegation proposed it at all. It is difficult to understand why they did so, in view of its own record of subversive interference in the affairs of every other state, including my own. This revival of the stale tactics of former times is hardly in harmony with policies proclaimed in other contexts. The Soviet Union is appealing to us all to believe in the sincerity of its programme for disarmament and to collaborate in peaceful doctrines of non-intervention in the Middle East. Nothing would make us happier than to accept with confidence Soviet good intentions because we know how difficult it would be to solve the major problems which now face us without Soviet co-operation. Does the Soviet Delegation really think that it can win our confidence while it indulges in these silly and discredited efforts to tell us that black is white?

We quite understand the anxiety of the Soviet Government to recover its balance after the events of last autumn. If they hope to do so by trying to prove to the world that the policy of the United States is as malevolent as that of their own, we advise them to abandon this hopeless gambit. Our Delegation is quite unimpressed by the charges concocted and edited by

the Soviet Delegation and its followers. But even if they were all true, they would not add up to anything approaching the brutality of Soviet intervention in Hungary.

The shadow of Hungary cannot be exercised in this way. It does stand in the way of the reconciliation and the peaceful co-existence which the Soviet Union professes - and we should like to think sincerely - to seek. We have no desire whatsoever to exploit the events in Hungary to revive and fan the cold war, but it is not possible to forget them. It is too much, no doubt, to expect that the Soviet Delegation would confess its error here and now. Indeed, we are less interested in confession than in the righting of wrongs. What we want is that the people of Hungary should be allowed to resume the progress towards freedom which was evident last autumn before it was suppressed by Soviet intervention. There is no government in the West which seeks to convert Hungary into a base from which to attack the Soviet Union or to encourage Hungary to adopt a policy inimical to the essential interests of the Soviet Union. If the Soviet Union will relax its grip and allow the people of Hungary to resume control of their own government, they have no reason to fear the actions of the United States or its allies. We shall all be only too happy that the Hungarian people have at last been left in peace.

We realize full well that it is not easy for the Soviet Government to get itself out of the mess in which it finds itself in Hungary. We have no desire to make this effort more difficult than it will naturally be, if the Soviet Government will move in the direction of withdrawal and liberalization. We assure them, however, that in their own interests they should henceforth abandon the idea that the kind of diversionary tactics they are here reviving will do themselves or anyone else any good. To make this point absolutely clear I trust that all members of this Committee who are free to do so will vote against the Soviet resolution.

S/C



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No. 57/20

ISRAELI INTENTION TO WITHDRAW

Statement by Mr. L.B. Pearson, Secretary of State for External Affairs, in United Nations General Assembly March 4, 1957.

Our meeting last Friday, and the statement from the delegate of Israel which we have heard this afternoon, mark, I hope, the turning point in the crisis which has been facing this Assembly for many weeks. The dangers and the risks which were inherent in the continued occupation of non-Israeli territory by the armed forces of Israel should now disappear, provided the Israeli withdrawal is followed by appropriate United Nations action. It was in the full recognition of these dangers that Canada joined others in this Assembly in efforts to bring about complete withdrawal of Israel from those areas, but in circumstances that would avoid, and not provide the seeds for, future conflict. We warmly welcome Israel's decision as a right and wise one, and as showing a sense of international responsibility. We feel that certain assumptions and expectations that Israel has mentioned in connection with the completion of her withdrawal are reasonable ones, as we understand them.

As the Assembly is aware, my Delegation, like many others, has made its own assumptions in speaking about arrangements which we believe should follow immediately upon, not before but immediately upon, withdrawal. We did not, and we do not now, regard these arrangements as conditions governing or prior to the withdrawal. We felt, however, that it was important to come to some prior understanding about them so that immediately after withdrawal they might be put into force and thereby help to create conditions in the area concerned which would prevent a return to the deplorable conditions which existed before the armed intervention of October 29, and which themselves were largely responsible for that action. Every member of the Assembly, including Israel, has a right to assume that the U N will take some positive, fair and constructive action to this end. Our own view on the necessity for such action has been given in the statement I made in the Assembly on February 26 and on earlier occasions, so I can be brief this afternoon.

Concerning the Gulf of Aqaba and the straits of Tiran, I suggested that there should be no interference with innocent passage through those waters, nor the assertion of any claim to belligerent rights there. I was not suggesting, and I am not now, that legal rights in those waters should be determined by this Assembly in any particular way, or that this determination which should be made by a legal body should be prejudiced by us. I do not conceive it to be the function of this Assembly to decide legal questions. What I do suggest, however, is that in order to maintain a situation of peace and quiet, in order to minimize the chance of a new outbreak of fighting, the Assembly should recommend, and the parties should agree, as a political and not a legal act, that there should be no interference with the innocent passage of ships through the waters concerned. And that would be one way to bring about an improved situation in the area. Does any member of this Assembly believe that interference with such innocent passage will not provoke conflict and, thereby threaten the peace of the area? Is it not, then, our duty to do what we can to avoid such a result? If so, we do not, in my view, discharge that duty merely by coming to certain conclusions regarding the international legal aspects of the question which remain to be determined.

So far as the use of the United Nations Emergency Force in the Gulf of Aqaba area is concerned, I believe it is common ground in this Assembly that UNEF should, immediately after the withdrawal of Israeli armed forces, move into the area to secure and supervise the cease-fire and withdrawal. This does not mean that in our view UNEF would occupy Sharm-el-Shaikh indefinitely, nor even until there had been some formal agreement or decision about navigation in the Gulf and in the Straits. But it does mean as we see it that upon the withdrawal of Israeli forces, there would be such arrangements for the deployment of UNEF at that point and for the time being as may be necessary to maintain the cease-fire situation. We also agree that before any withdrawal of UNEF from this position, the question should be referred to the Advisory Committee on UNEF which after all is an agent of the Assembly. What I am talking about is again the maintenance of peaceful conditions, not the solution of controversial questions, legal or political.

And there are similar considerations which govern our own attitude toward the situation in the Gaza strip. We agree that arrangements for the withdrawal of Israel should be made between the Commander of UNEF and the Chief of Staff of the Israeli armed forces. And for that purpose, we welcome the announcement that a meeting between these officers has already been held. We also agree with the Secretary-General, and with other delegations, that in view of the special problems and complexities of the Gaza area and of the long-standing major responsibilities of the U N there for the assistance of Arab refugees, that special and helpful arrangements could be made, involving the U N and some of its subsidiary bodies, to facilitate an effective replacement of the present administration in the

Gaza strip.

What we are suggesting now (and we assume that these things can and will be done on Israel's withdrawal without prejudging or prejudicing any legal position of Egypt under the Armistice Agreement which we admit that she has there) is first that UNEF should move into the Gaza strip immediately upon the withdrawal of Israel's armed forces; and, secondly, that the U N should take immediate steps to associate itself with the replacement of the civil administration there, although obviously this replacement would have to be done by agreement and would have to be planned to avoid any breakdown in the administrative services which now exist.

Why should there be any suspicion about the U N taking its full share of responsibility for security and stability and development in the Gaza strip. Surely no sincere or unprejudiced person is going to allege that UNEF, with its present composition and authority, is an agent, or could become an agent of colonialism or imperialism. Nor could the United Nations Relief and Works Agency or any other U N agency in the area. U N action of this kind is a reward for nobody, but it means, I hope, greater assurance for everybody that there will be security and stability there.

We think, Mr. President, that these ideas, which have been covered by previous resolutions of the Assembly or have been suggested in reports of the Secretary-General, should immediately on the withdrawal of Israeli forces, be converted into concrete arrangements, and that the Secretary-General should take steps to that end with our full support and, if later he requires it, with our endorsement. It was the view of my Delegation that the Secretary-General should be requested to do these things by a resolution of this Assembly. It is the view of others that he has the necessary authority under existing resolutions and reports. We accept that view and agree that if there is good will and a desire to make firm and constructive arrangements on all sides, no difficulty will arise. We have, however, as we see it, an obligation not so much to Israel but to ourselves as members of the U N, to see that, immediately after withdrawal, some action is taken along the lines indicated by the delegate of the United States last Friday, and by many other delegations today. If other delegations agree, as many have already agreed, that this should be done then this should give us the necessary assurance that not only has the U N succeeded in bringing about a cease-fire and a withdrawal of forces, but that it will also take constructive and effective action to avoid a resumption of hostilities.

Only in this way, I suggest, can we create the kind of atmosphere without which there can be no progress in the direction of that peace which we so much desire.

Mr. President, we have made progress in the last few days to this objective. Perhaps in a day or two we may have even greater reason for hope if the Secretary-General could

report to us on the completion of the withdrawal of Israeli forces and on related matters.

We have then made progress - encouraging progress - in the solution of this problem. But much remains to be done, and goodwill and understanding will have to be shown by all of us before we can be confident that a final result will be achieved and will bring peace and security to this troubled part of the world.

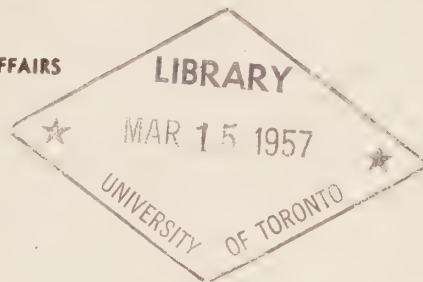
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CANADA

STATEMENTS AND SPEECHES

INFORMATION DIVISION
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No. 57/21

THE UNITED NATIONS TODAY

Address by Mr. L.B. Pearson, Secretary of State
for External Affairs, to the Canadian Weekly
Newspapers Association, Ottawa, February 19, 1957.

I have been wondering what I should talk about tonight. Probably you would like to hear from me, not about your profession, but about my own profession, which, certainly on an occasion like this, is not politics but diplomacy and international affairs. I know that you are interested in this because international affairs affect the life of your communities. It was not very long ago in Canada that these matters seemed very remote from us, remote from the small communities in which we lived, but we have learned since 1914, or we should have learned, that what happens in Korea affects Main Street, what happens in places called Sharm-el-Sheikh and Gaza (names which we used to hear occasionally in our Sunday School lessons) often have a very deep and immediate meaning for the life of our own country and our own community. I know that your interest in these matters is just as great as mine, for I also know that many members of your Association travelled, under the sponsorship and chaperonage of Mr. McCormick, to Europe not so very long ago. I hope that the interest which you already had in international affairs was enlivened and deepened by personal experience of what is going on in other countries.

It is, of course, a healthy thing that everybody in this country, whatever we may be doing, should be interested in and concerned with international affairs and diplomacy - things that used to be far removed from the life of the average man. The permanent Head of the British Foreign Office, who wrote his memoirs a few months ago, said -- I was reading his book a little while ago -- that in a world where war is everybody's tragedy and everybody's nightmare, diplomacy is everybody's business. And so it is. I assure you that the tempo in this profession is not slow and that in following it I am, as Mr. McCormick has said, very often not close enough to my own community. But I do try whenever I get the opportunity, and this is a good opportunity, to bring the policies which we are trying to follow, the ideas which we have in the Government

on foreign policy, to the people and the country because it is important that they should know what we are trying to do. We have more active debates on foreign policy in the House of Commons now than we used to have. There is a good deal more discussion of it. There is more information given and there is more advice received, and that is all to the good. Personally I have been criticized from both extremes, and no one should complain about that. I was criticized in a newspaper the other day for talking too much, and a few days later I read a newspaper which criticized me because I did not say enough about the principles underlying our foreign policy.

One of the difficulties that confronts a Foreign Minister in a democratic country these days is that so much of diplomacy is now conducted in public; so much of it is now conducted by the political representatives of the government instead of the professional diplomatic representative, as used to be the case fifty or one hundred years ago. While I believe in the maximum amount of information in diplomacy for those who are bound to feel the results of failure or success in diplomacy, and while I think the people of a democratic country should know all about the principles and policies under which their government are operating in this field, I still believe, probably more so now than when I first took on this job, that very often the most constructive negotiations could be done better in private than in public.

I think the people should know all about our policies and principles, but I must say that I get a little worried at times about the modern tendency actually to negotiate difficult and complicated problems between states in public. We get some very dramatic examples of the value, if you like, but also of the weaknesses of that kind of diplomacy at the United Nations. Too much of the time diplomatic negotiations in the United Nations resemble working in a goldfish bowl with a microphone and a television camera in the middle of it. Very often diplomacy in camera is more successful than diplomacy before the camera! However, I do not suppose we can do very much about that, about returning to the old state of affairs when things were done quietly. As I get older in this game, however, I must say I appreciate more and more the value of diplomacy by quiet negotiation between experts in contrast to diplomacy by noisy discussion between politicians.

Lord Strang, this is the man I quoted a few moments ago, had something to say about this in the same book. He said -- and he was a professional diplomat -- that those of us who have spent a good part of our lives drafting instructions for ambassadors know how severe a test of policy that is. It is small wonder then that in the climate of today, a minister may sometimes be tempted to take an easier way - to jump into an aircraft with only a general idea of his policy, with no precisely defined formulation of it, and go and talk around a table with his opposite number in the hope that by a kind of joint improvisation something useful may come out of the meeting. The temptation is

to think that a conference is a substitute for a policy. That temptation is a very real one to-day in respect of our negotiations through the United Nations.

There is a tendency,--and it has been very noticeable in the last two to three months, to avoid,--and I am not talking about any one government or any one country--facing some of the realities of national policy in foreign affairs by saying we will leave it all to the United Nations. This is illustrated, I think, very well by our discussions in New York on the Middle East. This, in its turn, often puts burdens on the United Nations which are almost too heavy for that organization to bear. We must not use it as an escape from our own absence of policy or from our own difficulties. United Nations' discussions are no substitute for wisely conceived and intelligently executed national foreign policies. I am one who really believes strongly in the United Nations as the hope of humanity in the long run, because if we cannot work out something through an organization like the United Nations for peace, there is not going to be very much cause for optimism in our future. But as one who does believe in the United Nations, I deprecate this tendency to leave too many things to the Organization and to misunderstand what it can do and what it cannot do.

I have noticed in reading newspapers and listening to discussions in and out of Parliament, a growing misconception of the power and the authority, of the functions of the United Nations. I have noticed a growing criticism of it, born of its frustrations and weaknesses, and of the dangers of international affairs generally. I have noticed a growing tendency to complain -- "why doesn't the United Nations do this, why doesn't it do that and why doesn't it take action and why doesn't it order so and so out of such and such a place." The basic fact about the United Nations, one which we should never forget, is that it is not a super-state, it can pass no laws, it has no army to enforce its recommendations, and there is no body of international law behind them, although we are trying to develop that. The United Nations is merely a collection of national governments trying, through international discussion, to secure certain ends by a majority vote -- by a two-thirds majority vote. The United Nations -- I am talking now about the United Nations Assembly in particular -- can act only through recommendations which have nothing but moral force behind them, though moral force can, on occasion, be pretty strong and pretty important.

Therefore, the United Nations can only do what two-thirds of its members wish it to do by voting for a resolution. We had a good illustration, not long ago in the Assembly, of what the United Nations can do and what it cannot do when we were discussing the question of the United Nations Emergency Force for the Middle East. Those were very dramatic and tense

times in New York when things were deteriorating pretty rapidly and no one knew what was going to happen on the morrow. It seemed at that time, and it was a general opinion, that one way out of this difficulty would be to set up -- I am talking about the difficulty of the fighting in the Suez and the possibility of that conflict spreading and the danger of intervention from outside in a way which might have brought about the awful horror of World War III -- it seemed then that one way to avoid it was to interpose some kind of United Nations policy agency between the conflicting forces. That was done, as you know, but it was done only because enough members of the United Nations were willing to vote certain functions and authority for the United Nations Emergency Force, and were willing, by voluntary action, to make it effective; because those governments which were particularly concerned with the operation of the Force, especially governments in whose territory it was operating, were willing to allow it to function there and operate there. This is by way of explaining the limits under which such a force must work.

But also, this was a very encouraging experiment for the future. At least I hope it will be. It is still too soon to say whether it is going to work, but we did show at the time, I think, that in an emergency, in a crisis, the United Nations can act quickly and effectively and improvise a police force which could be of very great value for limited purposes. It cannot fight its way into any country. It cannot begin to operate even as a police force against a great power, but it can and did intervene between two parties to a conflict and it has been, up to the present, effective in securing and supervising a cease-fire. I am told that in its short life, and this Force has only had a life of a very few months, it has built up an organization, an esprit de corps, a morale, which would do credit to any national expeditionary force. If that is true, and I think it is true, a good deal of credit goes to the Canadian Commander of the Force. I learned the other day about some of the difficulties and some of the inspiration General Burns felt at being commander of the first international force of this kind in history; and how well these national contingents were working together and how they were building up, under the blue flag of the United Nations, an international morale, an esprit de corps; how the various national elements were vying with each other in doing their jobs efficiently. One of the national contingents -- they must have been picked men and they must have been sent there under implicit instructions to win friends and influence people -- were not only extremely well-disciplined and kept their camps in fine condition, but they were particularly courteous and friendly to everybody. They did not know the language of the country, they did not know French or English but they knew enough to smile at everybody whom they met and they knew enough to make a good impression on everybody.

We have, I think, started something in this United Nations Emergency Force which, if it can be made to work, may

be of great value for the future, within the limited sphere of operation which is permitted under the United Nations Charter. But, I emphasize again that this is limited, and that the United Nations Assembly can do nothing except carry out the wishes by voluntary action of two-thirds of its members.

There is another limitation of which we are, I think, becoming increasingly conscious. Again, the events of the last two to three months have driven this home. I have talked about the necessity of getting a two-thirds majority for recommendations. You can understand what that means in terms of manoeuvring and lobbying and trying to work out the necessary majority for your particular resolution. We operate down there, of course, on the basis of the sovereign equality of all states. One state, one vote. That means that the vote of Liberia is just as important as the vote of the United States of America when the roll is called. Now, in the Security Council there is not this equality of voting privilege because the big powers, the permanent members of the Council, have a veto. This is a recognition of the differential of power and responsibility between members. In the Assembly there is no such recognition; there is no such distinction. Yet in the exercise of this new authority that is being given to the Assembly, because the Security Council has so often failed to act, we are beginning to see that the same kind of differential is working itself out, although in a different way. Whereas you have the single power veto in the Council, we are now beginning to develop in the Assembly -- and this is a development which has possibilities of great danger for the future of the United Nations bloc voting and bloc veto. More and more members of the Assembly are getting together in trying to pool their voting power. Up to a point this is perfectly all right, but if it is carried too far the bloc vote of the Assembly can have just as damaging an effect on the United Nations as the individual veto has had on the Security Council.

There are, of course, blocs and blocs at the United Nations. There is the Communist bloc which always votes as a unit, and which has four new members this year. It is a solid vote and it has never been known to split.

Over the ten years of United Nations existence there has never been one deviation in the voting record of that bloc; no one member of that bloc has ever voted against the wishes of the Soviet Union. On one occasion, 2 or 3 years ago, when one of the satellite states put forward a motion of its own, it apparently had not cleared it with the Russians, who did not like it. When the voting came, this country had to vote against its own motion. Well, this is one kind of bloc.

But there are other blocs. There is the Commonwealth bloc. Now the Commonwealth bloc, I assure you, does not always vote as a unit. The Commonwealth, and we should not forget this, consists of the United Kingdom as its heart

and centre, but it also consists of three Asian members of the United Nations, as well as of Australia, New Zealand, South Africa and Canada. Therefore, the policy of the Commonwealth members in respect of United Nations problems is not always the same. It would be surprising if it were when you consider the inevitable difference of approach to problems between India and, if you like, New Zealand. But the value of the Commonwealth bloc is that we are always trying to get together, and when we cannot support each other, and we do not always find it possible to do that, we do our best to understand each other's position and try to remove gaps between those positions if we possibly can. We have our meetings of the Commonwealth delegations regularly, every few days. No matter how far apart we may be on any particular issue we meet together and we try, by discussion, to understand each other's point of view and, when possible, to support each other. This is the kind of bloc that makes a constructive contribution to the Assembly work, and it is far removed from the other kind we were talking about, the Communist bloc.

Then there is another aspect of United Nations activities which has caused some anxiety among those of us who have attended the United Nations Assemblies. This is the growing feeling against what are called colonial powers; and the use of the United Nations Assembly by countries which have just recently gained their national freedom, to force the pace of national developments in colonies -- even when it would be wise, at times, probably, I was going to say, to slow up that pace. I do not mean quite that, but I believe that there are occasions when colonial peoples who are given independence are free only in name and in law and not in fact. They can become the victims of the first great power which has predatory designs on them. Perhaps it would be better for such people if they took a little more time and won their independence by a more orderly and constructive process so that when they do gain freedom they would be strong enough to hold it.

The United Nations Assembly -- and I do not think we can criticize it for this; in any event it was bound to happen -- has now become a platform for the expression of the desire and the determination of all peoples to gain independence with the least possible delay. Perhaps the greatest revolution in our time is not that of 1917 in Russia, but the revolution which is taking place among the uncounted millions in Asia and Africa; the awakening of these people from the slumber of centuries and their determination to secure not only national freedom but greater human welfare than they have ever known before. That determination is expressing itself every day at the United Nations, in practically every debate we have down there. As a result of this, unfair attacks have been levelled at what are called the colonial powers. Very often we on the Western side get impatient at this criticism of colonial powers

when it is applied only to those empires who have colonies across the seas, and not to the colonial imperial power which has been subjugating neighbouring states. I am thinking, of course, of Russia. The greatest colonial and imperialist power perhaps in all history is the Russian Communist Empire of today. Yet day after day we listen to the representative of the Russian state and its satellites at the United Nations attack countries like France and Great Britain who have done so much in the last century to lead peoples to independence. It is hard to listen to attacks on these nations by countries who have done nothing but subdue free people and are still trying to do that. I also hope, as one who believes in the United Nations, that newly independent powers will show an increasing sense of responsibility in this matter and that there will be a growing appreciation of what countries like France and Great Britain have done to lead people to freedom, as against the reactionary policies of Communist despotism.

There is another danger; the development of a double standard of principle and practice in respect of Assembly resolutions. We pass resolutions aimed at forcing Communist powers to take certain action, for instance, in Hungary, and our resolutions are treated by these powers with contempt, and we cannot do very much about it except focus public opinion, the moral opinion of the world, on their misdeeds. That is something. But when we pass a resolution which is aimed at a power like Great Britain or like France, which has a "decent respect for the opinion of mankind", it accepts the decision and takes action accordingly in complying with it. It is becoming pretty hard for them, however, when they compare what they do about United Nations resolutions with what others refuse to do. If this double standard of practice and principles goes too far, it is bound to weaken the prestige of the Organization and the respect people have for it.

I have been talking about some of the weaknesses of the Organization, which are our own weaknesses, and some of which have become quite apparent in the last 4 or 5 months. But I would not like to finish on that note. What we have to do is to do our best to strengthen the Organization; to remove these weaknesses, to make it a more efficient agency for peace and the settlement of international disputes. Even in its short history of ten years, with all its weaknesses, the United Nations has some very great achievements to its credit. Those who criticize it, and some of these critics are becoming pretty vocal these days and seem to be increasing in number, those who criticize should look back and see what would have happened in certain parts of the world if the United Nations had not been in existence during the last ten years. They should also look forward and try to show how we could possibly be better in any way if it were not to continue in existence.

I do not know anything more futile or foolish than to depreciate and ridicule the United Nations as a mere talking shop. It is also foolish to ignore its achievements. It is true it has not done what we hoped it would do. I remember ten, nearly eleven years ago, at the San Francisco Conference, when we were filled with hope for the future; and thought we had a means of freeing man from the scourge and terror of future war; indeed for a few brief moments we thought we had discovered the promised land of international peace and co-operation. A lot of illusions have been destroyed by hard reality in those ten years. But we would be making a great and tragic mistake if we abandoned our dreams completely, and retired to the international anarchy of national policies without any international organization at least to attempt to bring about some international co-ordination of these national policies.

We should not ignore the weaknesses and the dangerous trends in the United Nations, but rather try to remove them and to do the best we possibly can to strengthen this Organization, which still remains our best hope ultimately for international co-operation on a world basis.

When I say that, I do not mean to minimize the importance of other international organizations. The United Nations is the one world organization, but it does not take the place of more limited, but at least in the field of security, probably more important organizations. I am thinking particularly of the North Atlantic Treaty Organization and our Commonwealth of Nations.

As far as the Commonwealth is concerned, it has a unique and peculiar value. But we will never understand that value if we think of the Commonwealth only as a Commonwealth of Anglo-Saxon members with Great Britain as their mother country. Four-fifths of the members of the Commonwealth now come from the Asian world and a great and increasing value of the Commonwealth in the future may well be found in the fact that it is a bridge between Asia and the West. If it loses that value it will certainly lose much of its importance in the world at large. We have gone through difficult times in the Commonwealth in the last 2 or 3 months, but I hope that out of these difficulties, and the shocks to which we have been subjected, will come a greater understanding of the differences inside the Commonwealth and greater appreciation of the value of this association between West and East.

Then there is NATO, which is a going concern in the field of security and which means much more to us in collective security and defence than the United Nations under present conditions could possibly mean.

Above all, inside the NATO coalition, there is Anglo-Franco-American co-operation. That co-operation has had strains put on it in recent months, but those strains

are being lessened. The damage to close co-operation, I think, is being repaired. Perhaps here again, as a result of the lessons we have learned, we may be able to avoid similar strains in the future.

I was speaking in New York a few weeks ago. My audience was almost entirely American and to them I had this to say about our belief in NATO and in Anglo-Franco-American co-operation which, I am vain enough to think, reflects the feeling of most Canadians. Perhaps you will pardon me if I close by repeating what I said on this particular occasion and to that particular audience.

"The unity of NATO, its cohesion and strength, depend primarily upon the closest possible co-operation between the United States, the United Kingdom and France. They are the heart and soul - and much of the muscle - of the Atlantic Community and it ought to be the task of all of us to work for the maintenance and strengthening of the good relationship between them. There is nothing that I know of in contemporary international affairs which is more important."

Then I went on:

"Perhaps a Canadian may be pardoned for showing a special interest in this triangular relationship; for we are, in a sense, a part of every side of the triangle.

"The United States shares with us the North American continent. We are linked with her by ties of friendship and neighbourliness, of geography and trade and self-interest. We could not break these links even if we desired, and we would be very foolish if we tried.

"Our ties with Great Britain and France have a very special character, evolving from history and tradition and race. We have with them a family relationship of a kind which is easy to feel but hard to describe. It has been driven deep into our national consciousness, into our peoples' feelings. We Canadians have stood side by side with the people of our two mother countries in dark and dangerous days, in 1914 and 1915; in 1939 and 1940; days when, if they had failed or faltered, freedom throughout the world would have fallen."

It is well for us to remind ourselves of these facts in 1957. This is a principle of Canadian foreign policy which, I think, is accepted by all of us in this country, which ever party we may belong to, as something of great value in this shifting and dangerous world. It is a world in which we must look with hope, but also with realism, to the United Nations. But one also in which we must base much of our hope for the future on this most important of all relationships,

that between the Commonwealth, France, and the United States.

Canada has perhaps a more important part to play in this relationship than is at times comfortable for us. We talk a lot about our special privilege because we are American, we are British and we are French; that we have peculiar opportunities for understanding all three countries on whom our future depends to such a great extent. But with these privileges and these opportunities come grave responsibilities. If at times at the United Nations and elsewhere in the discharge of these responsibilities we seem to be accepting commitments which may appear to be a little too heavy for a country of 16 million people, which has problems enough of its own at home, that is due, I think, to the fact, first, that Canada has built up a reputation in war and peace as a country that accepts and discharges its responsibilities, that has no particular axe to grind, no ambitions of an unworthy kind.

I hope that we will continue to act in the discharge of our international responsibilities in such a way as to deserve the good repute which I think we have gained.

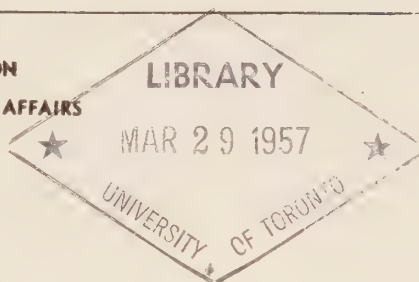
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CANADA

STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA



No. 57/22

CANADA'S POSITION IN MIDDLE EAST CRISIS

Excerpts from a speech by Mr. L.B. Pearson,
Secretary of State for External Affairs, in
the House of Commons, March 15, 1957.

...This Middle East problem has been almost continuously before the United Nations Assembly since I spoke to this House on external affairs last November and that consideration by the United Nations I think has helped not only to bring the fighting to an end in that area but to prevent the conflict breaking out again or even worse spreading... The United Nations Assembly of course has its limitations as I have already shown and will try to show again in this discussion. There is no use asking it to do things it cannot do or for which it has no mandate under the Charter. Therefore there is no use blaming it if it does not do the impossible. It is also wrong, as I have said before, to use the United Nations as an excuse for national shortcomings and hesitations or as an escape from national responsibilities even though these should be discussed and when possible discharged through the United Nations.

The United Nations is no substitute for wise national policy or for close co-operation between friends and allies. It supplements, and essentially supplements, but it cannot replace these necessities. There is no particular value therefore in saying, "Let the United Nations do it", unless we accept the obligation to do our best to make that possible by wise national decisions inside and outside the United Nations.

Background of the Crisis

Mr. Speaker, before dealing with some of the details of this problem I would like for a moment to endeavour to put it in perspective.

The problem we have been discussing and trying to solve in New York is merely one aspect of the whole problem of the Middle East. That general problem would be with us if there never had been any trouble over the Suez or over Palestine last October. It comes from the rise of nationalism in the Middle East

and from what seems at times to be a morbid preoccupation and suspicion of the people in that area, a suspicion they have of the people who once ruled them; it comes also from the impatience of these people in the Middle East to convert political freedom into economic and social progress and more fundamentally it comes from the pressure especially in Egypt of a rapidly growing population on the productive resources of the country which cannot keep pace with that increased population.

There is also, and we are now getting closer to the immediate difficulties, the bitter and at times seemingly insoluble problem of the relations between Israel and her Arab neighbours which came to a head in the explosion of last October.

Since that time the United Nations has brought about a cease-fire and has established an agency for securing and supervising that cease-fire. How that was done was discussed in the House last November. Since that time the United Nations has been considering the withdrawal of Israel from Egypt. There has been agreement from the beginning in New York with this withdrawal in principle, but it has been difficult to convert that agreement in principle into one of practice, whether the agreement should be unconditional or whether it should be conditional.

The House will remember that after the withdrawal of United Kingdom and French forces from Port Said last December the forces of Israel also withdrew from all Egypt or Egyptian administered territories except the points Sharm al Shaikh on the Straits of Tiran and the Gaza strip. Israel for some time was unable to withdraw her forces from those two places without assurances, first, about navigation in the Straits of Tiran and the Gulf of Aqaba and, second, that Gaza was not to be returned to a situation where it could be used as it had been used previously as a base for attack on Israel.

Egypt and the other Arab and a great many Asian states refused to consider at the Assembly any arrangement on these matters, or even at times to discuss them, until a complete withdrawal of Israeli forces had been effected. They refused to agree that the United Nations Emergency Force could be used in any sense as an occupation force. In particular India and Yugoslavia, which were supplying strong and effective contingents to this force, held strong views on that point - and their views are important. The Arab-Asian group also refused to accept at the United Nations Assembly any change in the armistice arrangements of some years ago between Egypt and Israel concerning the Gaza strip while permitting Israel to benefit from other provisions of those armistice arrangements. As for the Gulf of Aqaba and the Straits of Tiran the Arab-Asian group, or most of them, felt that freedom of navigation there would depend on the legal status of the Gulf and the Straits, the waters of which some of them considered to be not international but territorial.

Those two positions were far apart and it would have been difficult for the United Nations to reconcile them even if there had been a maximum of good will or mutual understanding between the conflicting sides, and it is an understatement to say that there was no such good will.

The Canadian Position

The Canadian position has, I think, been consistent from the beginning. From our very first statement at the United Nations Assembly last November we took the position then and we have maintained it since that the withdrawal of Israeli forces and arrangements following that withdrawal were related and that one could not be discussed or decided without taking into consideration the other.

For us it was not a question of rewarding Israel for something she might have done by force last October; it was not a question of allowing her to lay down formal conditions governing her withdrawal. It was a question of whether we should not take action in our own interest, and in the interest of the United Nations and of peace, to see that the former conditions in that area -- conditions of fear, insecurity and conflict -- were not restored.

Our Delegation preferred a single resolution to bring this about, with provisions, first, for withdrawal and, later in the same resolution, for arrangements to follow withdrawal. We were trying to do that, to draft a programme, and a resolution based on that programme which in our opinion would have been fair to both sides, but we were told it would not be possible to secure the necessary two-thirds majority of the Assembly for any such resolution. The United States was particularly hesitant about the prospects of securing agreement with regard to a resolution of that kind, and we were warned that if we put forward such a resolution, and it failed to secure two-thirds of the votes of the Assembly, the net result would be bad. We did not entirely accept that position, but we did agree that there was no possibility of securing a two-thirds majority for a resolution of that nature if the United States did not actively support it. And in the result, as hon. members know, on February 2 a second resolution, short and not too specific, was passed on arrangements to follow withdrawal.

Israel hesitated to withdraw her forces from Sharm al-Shaikh and the Gaza strip on these vague and somewhat ambiguous assurances which could be and, indeed, were interpreted in different ways by different members of the Assembly.

That delay after February 2 on the part of Israel to withdraw her forces, occasioned by the causes I have indicated, was met by the tabling of an Arab resolution for sanctions, that is, for force to bring about withdrawal. Sanctions can be economic; they can be financial; and, indeed, they can be military. And we ought to know now from the lesson of the League of

Nations in the thirties, in connection with the Italo-Abyssinian conflict, that unless there is strong and general agreement to see sanctions through to the end, even if that end might be military action, and if there is not the necessary willingness to take national action to enforce sanctions, then it is idle, even worse than idle, to consider applying them.

Our position when the sanctions resolution was tabled at the United Nations Assembly was that we were opposed to sanctions as being unjustified, as impracticable, as unlikely to accomplish the purposes which they had in mind, and as a recognition of the failure of negotiations which we thought were premature.

And so we -- our Delegation -- put forward our own proposals on February 26 -- certain positive proposals which we thought would accomplish the purpose we had in mind. I will come back to them later; what I am trying to give now is the chronological story of what happened in New York.

After this sanctions resolution was tabled, with no agreement on a resolution of the kind I have indicated with regard to arrangements to follow withdrawal, the matter was moved to Washington for discussions through diplomatic channels between representatives of Israel, the United States and France. As a result of those discussions, Israel was persuaded to withdraw her forces both civil and military from Sharm al-Shaikh and the Gaza area -- not on assurances contained in any Assembly resolution, except that of February 2, but on certain assumptions and expectations which the Government of Israel made at that time and which were announced to the General Assembly.

Israel's "Assumptions and Expectations"

What were these? They are very important in attempting to understand what is going on there now. They were put to the Assembly in a statement by the Foreign Minister of Israel on March 1 -- these assumptions and expectations. One was that the Gulf of Aqaba and the Straits of Tiran would be considered as international waters, and that there would be free and innocent passage for all shipping through them, and that the United States Government would support this proposition. Second, that the United Nations Emergency Force would move into the Sharm al-Shaikh area and not be moved out of that area until the matter had been considered by the Assembly Advisory Committee of seven. Then in respect of Gaza which was the danger point at the moment, Mrs. Meir laid down these assumptions:

- (a) That on its withdrawal the United Nations forces will be deployed --

That is the withdrawal of the Israeli force.

--in Gaza and that the take over --

And I emphasize the words "take over".

--of Gaza from the military and civilian control of Israel will be exclusively by the United Nations Emergency Force.

(b) It is further Israel's expectation that the United Nations will be the agency to be utilized for carrying out the functions enumerated by the Secretary-General, namely:--

They were enumerated in one of his earlier reports and he outlined them as follows:

"safeguarding life and property in the area by providing efficient and effective police protection; as will guarantee good civilian administration; as will assure maximum assistance to the United Nations refugee programme; and as will protect and foster the economic development of the territory and its people".

And then said Mrs. Meir:

(c) It is further Israel's expectation that the aforementioned responsibility of the United Nations in the administration of Gaza--

Not for the administration of Gaza but in the administration of Gaza.

--will be maintained for a transitory period from the take-over until there is a peace settlement, to be sought as rapidly as possible, or a definitive agreement in the future of the Gaza strip.

And she concluded by saying this:

It is the position of Israel--

And this is important in the context of the present situation.

--that if conditions are created in the Gaza strip which indicate a return to the conditions of deterioration which existed previously Israel would reserve its freedom to act to defend its rights.

These were the assumptions and expectations laid down by the Government of Israel on the basis of which they withdrew, and withdrew very quickly, all their forces, civil and military, from the Gaza strip. When I say they withdrew very quickly I mean that they withdrew with great speed after the decision was made.

The Canadian position with regard to this statement of Mrs. Meir was that, as we understood them, her assumptions and expectations were reasonable. The United States position, as stated by Ambassador Lodge on March 1, is as follows:

. . . For the most part the declarations constitute, as we understand it, restatements of what has already been said by this Assembly or by the Secretary-General in his reports, of hopes and expectations which seem to us not unreasonable in the light of the prior actions of this Assembly.

This statement of Mr. Lodge was followed by an extremely important communication of March 2 from President Eisenhower to the Prime Minister of Israel which may have been decisive in bringing about the withdrawal. I quote from that letter of President Eisenhower as follows:

It has always been the view of this Government --

That is the Government of the United States.

--that after the withdrawal there should be a united effort by all of the nations to bring about conditions in the area --

That is the Gaza area.

--more stable, more tranquil and more conducive to the general welfare than those which existed heretofore.

Hopes and expectations based thereon were voiced by your foreign minister and others.

Then said President Eisenhower:

I believe that it is reasonable to entertain such hopes and expectations and I want you to know that the United States, as a friend of all of the countries of the area and as a loyal member of the United Nations, will seek that such hopes prove not to be in vain.

That is from President Eisenhower's letter of March 2. Mr. Speaker, those are the views as to what should be done. But the terrific responsibility of putting those views into action has been placed largely on the shoulders of the Secretary-General of the United Nations. It is therefore important to try to understand what authority, under the resolutions that we have accepted, the Secretary-General has for that purpose because very much indeed is left to him. We therefore are obliged to fall back on that resolution of February 2 which I have mentioned and leave it to the Secretary-General to interpret that resolution and to implement arrangements based on it. That is going to be difficult for him to do. But if any man can do it, I think it is the Secretary-General of the United Nations, who is a man of devotion, integrity,

amazing industry and diplomatic skill and fair mindedness. However, Mr. Speaker, this is not, I admit, too satisfactory a procedure though it may be the best possible that the United Nations Assembly was able to obtain having regard to the fact that a two-thirds majority of the Assembly must be achieved for any resolution.

Responsibilities of the UN

Let us then go back and see what are the responsibilities of the United Nations which the Secretary-General is now to do his best to make effective; and I believe he is leaving tomorrow for the Middle East for that purpose. We stated in this House these responsibilities or these functions as laid down by the General Assembly resolutions, on November 27, beginning I think at page 61 of Hansard. We then pointed out in this House that these responsibilities were laid down or outlined in the Secretary-General's report of November 4, which is the guiding document in this matter, especially paragraph 12 of that report. That report can be found on page 13 of the White Paper dealing with the story of the Middle East already tabled in this House. Paragraph 12, the important paragraph of that report which contains the basic terms of reference for the Secretary-General with regard to United Nations responsibility and particularly the functions of the United Nations Emergency Force, reads as follows:

. . . The functions of the United Nations Force would be, when a cease-fire is being established, to enter Egyptian territory with the consent of the Egyptian Government, in order to help maintain quiet during and after the withdrawal of non-Egyptian troops, and to secure compliance with the other terms established in the resolution of November 2, 1956.

It is therefore important to remember what were those other terms of the resolution of November 2. They were also given to the House by me in my statement on November 27 and 29 and they are also quoted on page 8 of the White Paper. This resolution of November 2, which is basic in this connection -- and it will be recalled that we were criticized by the Official Opposition for not voting against this resolution -- includes the following provisions which should be recalled:

1. Urges as a matter of priority that all parties now involved in hostilities in the area agree to an immediate cease-fire and as part thereof halt the movement of military forces and arms into the area;
2. Urges the parties to the armistice agreements promptly to withdraw all forces behind the armistice lines into neighbouring territory, and to observe scrupulously the provisions of the armistice agreements;

3. Recommends that all members refrain from introducing military goods in the area of hostilities and in general refrain from any acts which would delay or prevent the implementation of this resolution;--

And finally:

--4. Urges that upon the cease-fire being effective steps be taken to reopen the Suez Canal and restore secure freedom of navigation; . . .

These functions as outlined by the Secretary-General in his report and based on the resolution of November 2 were approved by a resolution of the General Assembly of November 7; and that resolution reaffirms the necessity for a scrupulous observance of the Israeli-Egyptian armistice terms. That reaffirmation was given again by the Assembly in a resolution on February 2, passed by a vote of 56 to nothing, including the votes of the United Kingdom and the United States. This resolution of February 2, this reaffirmation of the scrupulous observance of the armistice terms, also included provisions that the United Nations Emergency Force was to be deployed on the Egyptian-Israeli demarcation line, and for the implementation of other measures included in the Secretary-General's report of a few weeks before, January 24, I think.

This report of January 24 by the Secretary-General, which was endorsed unanimously by the General Assembly and is binding on the Secretary-General because of that unanimous endorsement including the votes of the United Kingdom and the United States, emphasizes that there can be no change in the legal situation under the armistice agreement until the parties to that agreement accept such a change. This report states also that the General Assembly can only recommend; it cannot establish any United Nations administration of Gaza, and that that recommendation, to be effective, would require negotiations with Egypt. Now, there have been no further resolutions laying down the function to be performed by the Secretary-General in carrying out the earlier resolutions. Therefore, this one of February 2 is decisive in this connection.

Our own position in regard to this matter was made clear on February 26. At that time we took the position that an arrangement to follow the withdrawal of the Israeli forces should be spelled out in a resolution and not merely deduced from the Secretary-General's reports. We put out in considerable detail what we thought should be included in any such plan or resolution. It should include, first, observance of the armistice; second, deployment of United Nations Emergency Force in Gaza on both sides of the armistice line; third, there should be no interference with innocent passage through the Straits of Tiran pending determination of the legal position of those waters; fourth, we made certain proposals for Gaza. This is such an important point on the map at present that I should like to go into that matter,

Mr. Speaker, in somewhat more detail in elaborating the proposals we made at the Assembly. It will, I think, if I can go into it in detail, remove some of the misconceptions about this particular problem.

The Problem of Gaza

Legally, as I have stated, responsibility for the civil administration of Gaza, under the Egyptian-Israeli Armistice Agreement of 1949, lies with Egypt. However, in planning for the restoration of civil administration following the withdrawal of Israel forces from the area, we stated our views to the General Assembly at that time -- this view was shared by a great many other delegations and indeed I think by the Secretary-General himself -- that there were important practical considerations which qualified or should qualify this legal position. We have an extremely explosive situation in a small and crowded area where there are about 300,000 people, and perhaps 260,000 of them are refugees. It should be recognized, we thought, that this situation might very easily get out of control, and accordingly we considered -- this was also the feeling of other members of the Assembly -- that the United Nations should accept, and Egypt should agree to the acceptance of, responsibility to the maximum possible extent for establishing and maintaining effective civil administration of the Gaza strip. This arrangement, of course, would have to be without prejudice to the legal rights of Egypt in the territory under the armistice agreement, and would be provisional, pending final agreement on the proper disposition of Gaza which has never, since the creation of the State of Israel, belonged to the sovereign territory of any state.

The words we used in the Assembly in putting forward this programme are on the record, Mr. Speaker. Perhaps I could quote one paragraph from our statement. On February 26 I said at the Assembly:

After Israel's withdrawal, the United Nations should, in our view and by agreement with Egypt, accept responsibility to the maximum possible extent for establishing and maintaining effective civil administration in the territory; in fostering economic development and social welfare, in maintaining law and order. The United Nations Relief and Works Administration is already there, with an experienced and efficient administrative nucleus. The United Nations could also provide other help through United Nations technical assistance machinery, the resources of its secretariat, and expert consultants recruited for special purposes. In this way there would be built up in Gaza, in co-operation with Egypt and with Israel, a United Nations civil administration.

We had a resolution drafted which would have put that programme before the Assembly but we did not attempt to bring it forward because, as I have indicated, there was a feeling on

the part of certain delegations that it would not get the necessary two-thirds majority.

It is my view, Mr. Speaker, and I hope that this view will prove to be well-founded, that we have now entered a phase in which progress may be made towards the objective of finding a suitable balance between the practical position of the United Nations and the legal position of Egypt in the administration of Gaza, an objective which was sought but never found at the recent session of the General Assembly. As I have said, the Secretary-General himself is going to the area tomorrow in search of such an understanding. It is a mission of great responsibility and delicacy, fraught with consequences for the peace of that area. So far as the Canadian Government is concerned, and I am sure so far as this House is concerned, we would not wish to do anything to complicate the Secretary-General's task by anything we might say here. I wish to reiterate, however, that our opinion is that, subject to the legal right of Egypt under the armistice agreement, and until those rights are altered, the United Nations and the United Nations Emergency Force have an important, indeed an essential role to play in the administration of that area.

Any policy or any action or any arrangement whereby the United Nations was refused Egyptian co-operation in the discharge of that role or in which the United Nations was denied a substantive responsibility for carrying out the purpose of ensuring peace and security in the Gaza Strip, any arrangement of that kind which included non-co-operation on the part of the single government most concerned, the Government of Egypt, would be doomed to failure.

Mr. Diefenbaker: Does the Government of Canada recognize the sovereignty of Egypt over the Gaza strip?

Mr. Pearson: No, Mr. Speaker, I have already stated that no single power has sovereignty over the Gaza strip. Under the armistice arrangement between Egypt and Israel, which was endorsed by the United Nations, the responsibility for the civil administration of that strip was placed in Egypt's hands and that is where it is now legally, under the armistice agreement which has been endorsed unanimously by the recent Assembly of the United Nations. Any effort, however, on any government's part to interfere with the practical necessity of United Nations action in the Gaza strip at the present time would, I think, be inconsistent with the basis of free co-operation which must underlie the discharge of United Nations responsibility in that area. It would deny to the area, and indeed to the people of both Egypt and Israel, the great practical benefits which could develop if the United Nations and its agencies were given a fair chance to make their contribution to the welfare and security of that unsettled region.

Egypt and UNEF

This situation, Mr. Speaker, in the Gaza strip points up, I think, the importance of a clear understanding of the relationship between Egypt and the United Nations Emergency Force,

and I should like to say a few words about that.

There have been a good many questions in this House. It is true, I dealt with this matter at some length in the House on November 27, and I also referred to it in the White Paper, at page 13, which I have mentioned.

We have from the very beginning, from the first statement of the Canadian delegate in New York on November 7, underlined the difficulties as well as the importance of this first United Nations Emergency Force. There is great hope in it for the future if it succeeds on this occasion, but it is an experiment and new ground, hard ground at times, is being broken. We have no illusions, and have had no illusions about the problems it would encounter. Cynicism has been expressed by some members in this House about this Force and there have been jibes from some quarters in this House about the nature of Canadian participation in the Force. But whatever the future may hold for this Force, I think it is fair to say that the United Nations Emergency Force has already performed an absolutely indispensable role in securing and supervising the cease-fire, in preventing a recurrence of conflict or the spreading of that conflict when it began.

Some weeks ago, General Burns wrote me a personal letter from his headquarters acknowledging a further contingent of supporting units that were going forward from Canada for the United Nations Emergency Force. In that letter he stated that the Canadians already in the force had made "all the difference in the world in the efficient operation of the administrative side of the military effort." He added that he "just could not have done without them." He also said, Mr. Speaker, that the R.C.A.F. element in his Force had worked long hours in arduous conditions and deserved very great credit for its efficiency and devotion to duty.

There has been some argument about the status of this Force. The Government from the outset has accepted the guiding principle, included in the Secretary-General's report of last November, and specifically endorsed by the General Assembly, that the United Nations Assembly could not request the Force to be stationed or operate on the territory of a given country without the consent of the government of that country. The rights of sovereignty of the country in the circumstances under discussion could not be infringed upon by other states, even acting through the United Nations Assembly, which has no power in fact so to infringe in contrast with the Security Council, when actions are being taken by the Security Council under Chapter VII of the Charter.

Mr. Nesbitt: Is this resolution not based on the "Uniting for Peace" Resolution, part A?

Mr. Pearson: Yes, Mr. Speaker, all of our action in the United Nations Assembly at the special emergency session dealing with this Middle East crisis was based on the "Uniting for Peace"

Resolution of 1950, which gave the Assembly certain functions, and indeed duties in case of deadlock in the Security Council; but while that is true, it does not alter the fact that under the Charter of the United Nations the Assembly can do nothing but make recommendations which have to be carried out by the member states after those recommendations have received two-thirds support in the Assembly.

Last November 5, Mr. Speaker -- and this is important in qualifying what I have just said -- the Egyptian Government formally conveyed to the Secretary-General explicit acceptance of the General Assembly resolution of that date, which established the United Nations Force to perform the tasks which I have already outlined. Egypt's acceptance of this resolution was a voluntary act, by which the Egyptian Government imposed on itself a qualification upon the exercise of its sovereignty.

This decision was formally conveyed in an aide-mémoire on the basis for the presence and functioning of UNEF in Egypt, an aide-mémoire submitted to the General Assembly by the Secretary-General in his report on November 20, and subsequently noted with approval by the Assembly. In this aide-mémoire, which is also in the White Paper to which I referred, I think on page 20, and therefore before the House for some weeks, the terms of which had been agreed between the Secretary-General and the Egyptian Government, the Government of Egypt declared:

When exercising its sovereign rights on any matter concerning the presence and functioning of UNEF, it will be guided, in good faith, by its acceptance of the general resolution of November 5, 1956.

This is a quotation from the Egyptian communication. And that declaration was balanced in the aide-mémoire by a declaration on the part of the United Nations, through the Secretary-General, and I quote, that "the activities of UNEF will be guided, in good faith, by the task established for the force" in the resolution of the General Assembly, and that -- again I quote -- "in particular, the United Nations, understanding this to correspond to the wishes of the Government of Egypt reaffirms its willingness to maintain the UNEF until its task is completed."

This, then, Mr. Speaker, is the nature of Egypt's consent to the presence and functioning of the United Nations Emergency Force on Egyptian territory. There has been no infringement on the sovereignty of the Government of Egypt by the action of any other government or governments. But in the arrangements made and in the agreement which I have referred to, the United Nations, which established this Force to do certain tasks, clearly has a right to be consulted as to whether and when these tasks have been discharged, as it would if they were to be extended. From this, it follows in our view, and this is the view of the Secretary-General also, that if Egypt should at any time make a request for UNEF's withdrawal, the appropriate procedure would be for that request to go first to the Advisory

Committee on UNEF through the Secretary-General. There it would be discussed by the Committee which was set up for that purpose by the Assembly, and if necessary and desirable the whole matter could then be referred to the full Assembly for decision. And therefore any question of whether UNEF should be withdrawn would become a matter for discussion with and decision by the United Nations. This is this Government's understanding of the procedure which should be followed.

Having said that, however, I should add that if Egypt refused to accept the United Nations view that UNEF's task was still unfinished, and that UNEF should not be withdrawn, Egypt would, in our view, be nullifying its acceptance of the Assembly's basic resolution establishing the Force and laying down its function.

Nevertheless, the Assembly does not have any authority under the Charter of the United Nations to create binding legal obligations on member states, and Egypt, therefore, could not, in the last resort, be compelled by the United Nations Assembly to continue to accept any resolution or to co-operate in carrying it out. The Assembly cannot force its view on any state although in certain contingencies the Security Council can attempt to do that.

Mr. Speaker, the Canadian position on this matter has already been stated to the General Assembly, to the Advisory Committee, on more than one occasion and was given to the House on November 27. In case there is any doubt as to what our position is on this matter I will have another opportunity to state it to the Secretary-General and the Advisory Committee either late tonight or tomorrow morning before the Secretary-General leaves for Egypt. These statements which we have already made of our general position should make clear that this is the stand we are taking and will take in respect of the reinforcements from Canada to UNEF which have recently gone forward. Although I know I am taking up a great deal of the time of the House perhaps I should go into the question of this request for reinforcements which was made some weeks ago, because it is a matter of interest to the House.

Reinforcements for UNEF

The first mention of a reconnaissance squadron for UNEF was on December 4 when our Ambassador in Cairo reported that General Burns was sending a message to the Secretary-General making proposals relating to the Canadian contribution to UNEF. We were told then only that General Burns would find it desirable to have as a combined unit an additional armoured reconnaissance unit or squadron of company size of about 200 men.

Shortly afterwards our Permanent Mission in New York reported that a representative of the Secretary-General had informed them that General Burns had urged that a request for a reconnaissance unit from Canada be pursued, that the reconnaissance

squadron was urgently needed to supplement the two mechanized companies from Yugoslavia and would be deployed in Sinai. In the second week of December the Canadian Permanent Mission in New York received a letter from the United Nations formally requesting this additional contribution of the reconnaissance unit to UNEF.

There have been a great many reports of Egyptian objections to the arrival of these Canadian reinforcements. The reports and rumours of these objections will, I feel confident, prove entirely unfounded. I have every hope based on the assurances we have received as recently as the last 24 hours that the Canadian reinforcements will join UNEF in Egypt for duty in the normal way, as indeed I indicated would be the case, I think on March 7, in this House. No interference in this move by any government could be accepted by us as valid and if any attempt to so interfere were successful this would have serious results so far as any further Canadian participation in UNEF is concerned, and therefore it would have serious results for UNEF as a whole. There should be no doubt about this in anyone's mind, but it is a contingency which as I have said I have every reason to believe will not arise based on assurances which have been received.

In taking this position, which I think is a reasonable one, we are concerned about the whole future not only of this particular Force but of the United Nations itself as an agency to facilitate and increase international peace and security. I am sure all of us have nothing but good will for the Egyptian people; we are not participating in any manoeuvres of any kind against them; we are not influenced by anything but a desire to make the United Nations and its agency the United Nations Emergency Force effective for achieving the objectives of the Assembly, the objectives of securing and supervising a cease-fire and facilitating the establishment of peaceful conditions. In the policy we have been following at the United Nations in these matters our motives are above reproach. Any imputation to the contrary is false and unfair. UNEF is no cloak and will be no cloak for the plans or ambitions of any state or states, and there is no foundation whatever for any suspicions from any source that anyone wishes to use it in that way.

Suez Canal

Mr. Speaker, questions have also been asked about the progress of the clearance of the Suez Canal and I should therefore say something about that. While our attention has been concentrated for several weeks past on efforts to arrange for completion of the withdrawal of Israeli forces and on UNEF this other major enterprise, the clearing of the Suez Canal, has been going forward. The clearing of the Suez Canal under United Nations supervision has been proceeding in accordance with the most optimistic time estimates of the technical officers responsible for its progress. We do not know yet exactly when the resumption of a full flow of traffic will be possible but we are informed that if the present rate of progress is maintained a channel capable of taking ships

of more than 25 feet draught will be opened very shortly, in a matter of days. We are told also that the clearing of marginal obstacles and restoration of full navigational facilities has made much better progress than had been originally scheduled, in spite of political difficulties which have understandably attracted so much attention.

As the Prime Minister (Mr. St. Laurent) told the House last Monday, Canada has acquired a special interest in the steps being taken to reopen the Canal by virtue of the advance -- not the gift but the advance on good 'security' -- that the Government has made toward the financing of the United Nations clearing operations.

Canada, of course, is not a large user of the Canal but we are naturally anxious, as a trading nation, for the earliest possible resumption of the Suez traffic which is so vital to the economies of the many user states. Our participation in the advances made to the United Nations and the work that this interim financing has made possible was also of particular assistance to the United Kingdom and France at that time, and that was the main reason why we participated in that interim financing; and that is a reason which presumably should commend itself to hon. members opposite.

As hon. members know, certain proposals for provisional operating arrangements for the Canal pending the working out of a permanent regime have been agreed upon between the Governments of the United Kingdom, the United States, France and Norway and these proposals have been passed on to the Government of Egypt through the Secretary-General. They are to the effect that the International Bank or the United Nations itself should act as a neutral agent for receiving Canal tolls of which 50 per cent should be paid to Egypt immediately and the balance held pending determination of its disbursement under a definitive Suez settlement.

As far as I know, the Egyptian Government has not yet given its reply to these proposals but the Secretary-General is in touch with them on the matter and I have no doubt that is one of the questions he will be discussing on his visit to Cairo.

While Canada of course was not involved in the discussions which led up to the formulation of the proposals now before the Government of Egypt, I may say we consider that these proposals are sound and offer a reasonable basis for agreed arrangements under which regular Canal traffic might be resumed, and we hope that early agreement on such arrangements will be possible. The importance of that to us all is obvious. The arrangements that were agreed to last October at the Security Council provide for the free and non-discriminatory and secure transit through the Suez Canal for ships of all states, and in all states I include the State of Israel. We indicated our support for those arrangements in this House last summer.

From what I have said I think it will be clear that our general policy on these matters at the United Nations and elsewhere has been based on the negotiation of differences. Success in such negotiation is not of course possible if through timidity we give in to unwarranted pressures, but on the other hand it is not assisted by abuse of or hissing at any of the governments or personages involved with whom we have to negotiate. Such abuse is an easy escape for emotions, but it hinders rather than helps the search for acceptable solutions which will avoid the use of force. Indeed it often helps to make force unavoidable by provoking wild and angry reactions. Nor is the use of violent language necessarily an indication of either strength or conviction on the part of the person who uses that language.

To state, as has been done, that this Government has said anything or has done anything which would condone the use of force in this or any other matter unless that force is justified as self-defence, individual or collective, under the Charter of the United Nations, is a misrepresentation of our position and is denied by every act and every statement on the record of the United Nations or elsewhere. To attempt to explain some alleged and imaginary change in Canada's attitude toward the use of force in the Middle East by tying that fictitious change to the new Eisenhower doctrine for United States policy in the Middle East is a misrepresentation not only of Canadian policy but of the Eisenhower doctrine itself.

The Eisenhower Doctrine

It has been stated ... that the United States policy to which I have referred is, and I quote ...

If there should be communist aggression in the Near East, American troops -- acting on their own -- would intervene.

That is the end of the quotation. That is also a distortion of the meaning of the Eisenhower doctrine and it does no good to co-operation between friends or to the effort to avoid conflict... (The pertinent paragraph of) the Congressional resolution on the subject ... is as follows:

The United States regards as vital to the national interest and world peace the preservation of the independence and integrity of the nations of the Middle East. To this end, if the President determines the necessity thereof, the United States is prepared to use armed forces to assist any such nation or group of such nations requesting assistance against armed aggression from any country controlled by international communism: provided that such employment shall be consonant with the treaty obligations of the United States and with the constitution of the United States.

That is a paragraph from the resolution. How will the President of the United States determine this necessity? What measures will he put into operation after the determination is made, and how will he do it? Well, the President has already made himself perfectly clear on this point, and I commend his statement to hon. members opposite. Here is his statement to Congress when he submitted his resolution:

These measures would have to be consonant with the treaty obligations of the United States, including the Charter of the United Nations and with any action or recommendations of the United Nations. They would also, if armed attack occurred, be subject to the overriding authority of the United Nations Security Council in accordance with the Charter.

To say that that doctrine, as stated by the President and accepted by Congress, would justify unilateral action by the United States in the Middle East ... is not a correct interpretation of the United States doctrine. It may have its weaknesses, but that is certainly not one of them. That is one charge, that we have abandoned our earlier position because of an alleged new United States doctrine. This criticism is of course linked with the more general allegation ... that at the United Nations and elsewhere we have been the chore boy, the satellite, the follower or whatever you wish to call it, of the United States. Well, the record can speak for itself and it is far more impressive as evidence than any gibes can be ...

Mr. Speaker, in closing I would just like to say that since last October we have done what we could to secure a peaceful, honourable settlement of immediate issues which would pave the way for the solution of the political problems between Israel and her neighbours -- a solution which is essential if further conflict is to be avoided, and which seems so terribly difficult to achieve, unless, of course, one has no direct contact with the problems themselves. At the present moment, as I see it, the essential thing is that both Israel and Egypt should exercise restraint and moderation, and that Egypt should co-operate and not obstruct the United Nations in its efforts to secure and supervise peace and order in the Gaza strip. That is the immediate point of crisis.

Therefore, the Government of Egypt is, I think, in honour bound to co-operate ... with the United Nations in this task. It is to its own interest to do that ... to co-operate with the United Nations in this task. That co-operation is essential because the United Nations is operating in a territory in Gaza which legally is under the administration of the Government of Egypt ...

If the Government of Egypt does not so co-operate, then it may prevent the United Nations not only from taking on new responsibilities for peace and security but from discharging those which the United Nations has already taken on in respect of

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No. 57/23

THE MIDDLE EAST

GAZA - THE FUNCTIONS OF UNEF

Statement by Mr. L.B. Pearson, Secretary of State for External Affairs, in the House of Commons, March 22, 1957.

The legal rights of Egypt in the administration of the Gaza strip derive from the Armistice Agreement between Egypt and Israel signed in 1949 and confirmed by the United Nations. If these legal rights are ignored or rejected, then the Armistice Agreement is violated. But the United Nations Assembly has affirmed by more than one resolution, including that of February 2 which was carried unanimously that the armistice provisions, all of them, should be scrupulously observed.

The responsibilities and functions of the United Nations in the Gaza strip come from Assembly resolutions and are reinforced by the practical necessities of the situation. These responsibilities and functions in our opinion should be accepted by Egypt, which should fully co-operate with the United Nations in their discharge. If Egypt is unwilling to co-operate in this way, then the United Nations' task in Gaza becomes impossible and the matter in our opinion should be referred at once to the United Nations Assembly.

Our position, Mr. Speaker, which has been stated more than once in New York and in this House, is that the United Nations should be associated to the maximum possible extent in the administration of the Gaza strip. I regret that this was not made clear and definite in a resolution of the United Nations Assembly which would have specified the arrangements to follow the withdrawal of Israeli forces. Why that was not done, Mr. Speaker, I attempted to explain a week ago today. It should be recalled also that the United Nations already accepts full responsibility for more than 200,000 Arab refugees in Gaza.

The problem then, as I see it, is to find an acceptable balance in the administration of Gaza between the practical position which the United Nations must take and

the legal position of Egypt under the Armistice Agreement. Any such "suitable balance" in particular must give the United Nations that control of internal security in the Gaza strip necessary to enable it to carry out effectively its operations and responsibilities on the demarcation line. So far as the Canadian Government is concerned, UNEF could not be expected to discharge effectively its duty of preventing raids and incursions and maintain peaceful conditions along that line if it were not in a position to carry out observations or investigations and to exercise necessary control in the strip itself. A satisfactory agreement to this effect is a fundamental prerequisite of the effective continuance of UNEF's role on the demarcation line. If no such agreement is made and kept, there will not only be renewed trouble between Israel and Egypt but the continued operation of UNEF will be prejudiced. Certainly it would be difficult for Canada to continue to participate in the Force under conditions, and we hope those conditions will not materialize, in which it would not be able to discharge satisfactorily the responsibilities given to it by the United Nations Assembly. We have made this position clear more than once to the Secretary-General and to the Advisory Committee in New York as recently as last week.

The Secretary-General is at the moment engaged in very important discussions with the governments immediately concerned. As yet we have had only a preliminary report concerning the discussions which are now going on in Cairo, but that report has been enough to cause us to question the accuracy of certain Cairo press messages about these talks.

I hope, Mr. Speaker, and I am sure the House hopes, that these discussions will clear up the difficulties that face the United Nations in this area. Otherwise the results will be serious for United Nations' action there and perhaps even for peace between the conflicting states. At the conclusion of his talk the Secretary-General will report to the Committee of seven, of which Canada is a member, which will no doubt then consider in the light of that report whether a meeting of the full Assembly is required.

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No. 57/24

NATO IN CANADIAN FOREIGN POLICY

Partial text of a statement by Mr. Paul Martin, Minister of National Health and Welfare, before the Members of the NATO Military Committee, Ottawa, April 8, 1957.

Mr. Chairman, Gentleman, I consider it a privilege to have the opportunity of meeting you today and, on behalf of the Canadian Government, of welcoming you officially to our country. We have been looking forward for some time to the visit to Canada of the Military Committee of the North Atlantic Treaty Organization. The Military Committee is for us the symbol of NATO's vigilance and preparedness. I should like to express to you our very sincere appreciation for your relentless efforts in making the Organization an effective instrument of Collective defence. We know that it is no easy task to maintain a high state of military preparedness, when there are so many other demands today on the resources of member governments; however, the nature of the struggle in which we are engaged has shown that a strong military organization alone is not sufficient to ensure our survival, and that a great number of problems in the economic, social and cultural fields must also be allowed a claim on our resources. It is therefore essential that a balance be struck in the allocation of our resources. The Canadian Government has always felt, gentlemen, that you have made and continue to make excellent use of the often limited means placed at your disposal.

Recent events, and I do not mean only those in the Middle East, have emphasized to all Canadians the importance and the responsibility of Canadian foreign policy, even where there appear to be few direct Canadian interests. These events could not fail to induce the Canadian Government to make a reassessment of the principles which have underlined our policies and the factors which bear on them, as I am sure, has been the case for every other government interested in the maintenance of peace throughout the world.

This reassessment has confirmed, if this needed to be confirmed, that above all our foreign policy must be Canadian, based on Canadian considerations, Canadian values and Canadian interest, the greatest of which, apart from freedom itself, is peace. But a Canadian policy in this day and age is not necessarily an independent policy. Indeed, no country in the world today, even the most powerful, in the preservation of peace and security, can run the risk of a policy of independence in foreign affairs, in the sense that independence means isolation from one's friends or immunity from the effect of their decisions and their actions.

We have also again been struck by the "Parallel" and interdependent importance of the United Nations and NATO. The United Nations is important, very important, and we do not think we could do without it. The hopes and aspirations which we felt in San Francisco in 1945 have not therefore really diminished, and the United Nations continues to be an essential element of Canadian foreign policy. At the same time, we have recognized that, as long as it remains an imperfect instrument for peace, especially as long as there is a "double standard" among its membership with respect to compliance in its resolutions, the North Atlantic Treaty Organization must be, as a deterrent and a shield against aggression. The Atlantic Alliance therefore remains the effective basis of our policy of collective security, and will remain so until the United Nations can discharge that responsibility effectively.

This reassessment has further brought out that the unity, cohesion and strength of NATO depend primarily upon the closest possible cooperation between the United States, the United Kingdom and France. There are of course no second-class powers in our Alliance, but I believe we all agree that this triangular relationship to which I have referred is simply a realistic recognition that the United States, the United Kingdom and France are to a very great extent, the heart and soul and much of the muscle of the Atlantic community. It is logical therefore that one of the objectives of Canadian foreign policy is the maintenance and strengthening of the good relationship between these three countries, especially since, in a sense, we are a part of every side of the triangle.

The United States shares with us the North American continent and we are linked with her by ties of friendship and neighbourliness of geography, trade and self-interest. Our ties with Great Britain and France have a very special character evolving from history and tradition and race. We have with them a family relationship of a kind which is easy to feel but hard to describe. You will realize then how strongly we in Canada feel about cooperation between the three great Western Powers in and out of NATO.

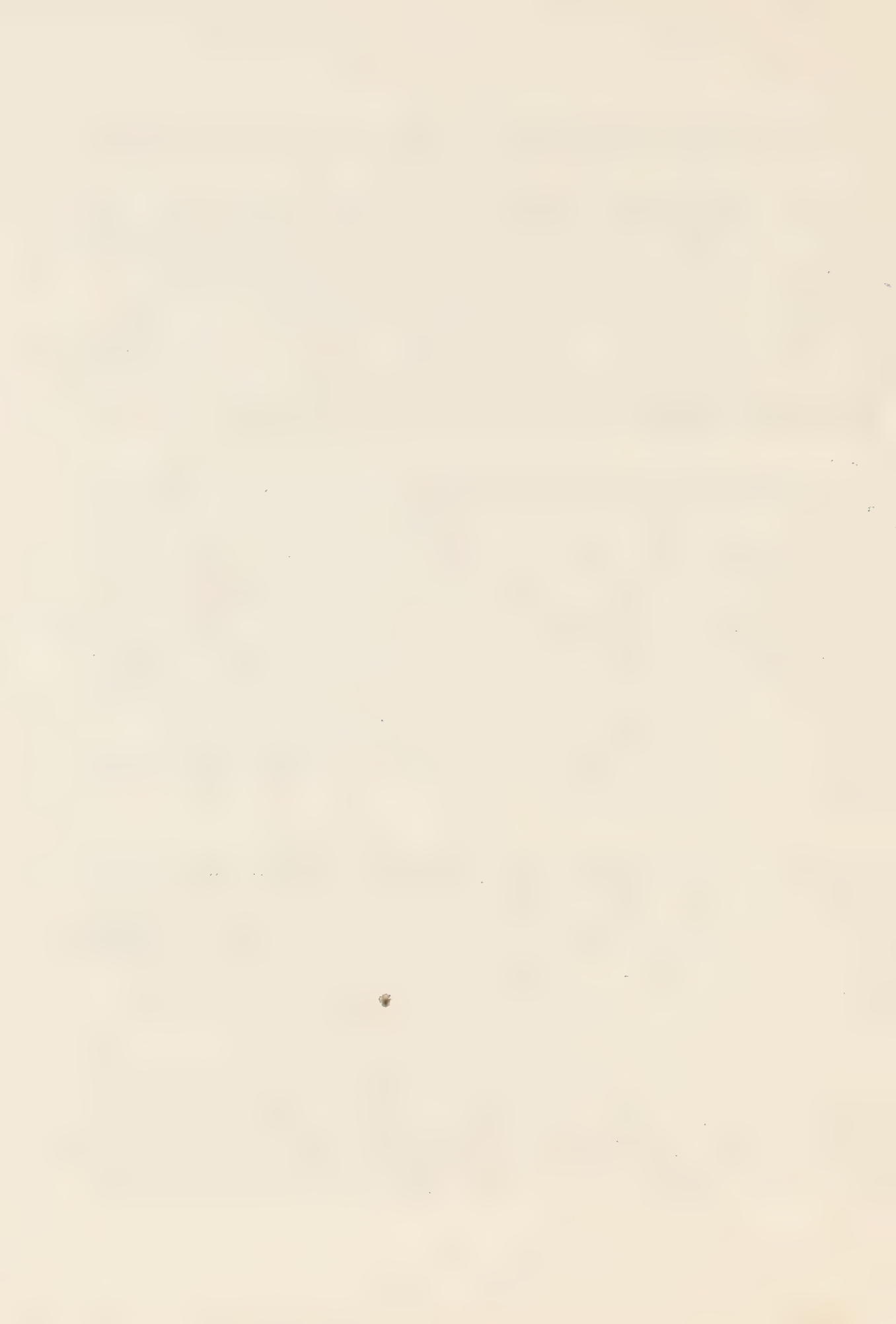
You will also realize how much NATO has been woven into the fabric of Canadian foreign policy.

In the military field, for instance, almost everything Canada is doing relates to our participation in NATO, and therefore is designed to bolster the military strength of the Alliance. In fact, we can probably say that little in Canadian military planning can be considered today as exclusively Canadian in character. When our defence efforts are not related to the maintenance of an effective Canadian contribution in Europe to the NATO shield, they are then designed to assist in the defence of North America, a region which, we must always remember, is an integral part of the NATO area, and within which everything being done has a direct bearing on the defensive strength of the Alliance as a whole.

We are very glad of course to have Canadian soldiers and airmen serving in Europe alongside some of your compatriots, engaged in the vital watch for any move which might constitute a threat to the security of our community. As Mr. Pearson said in his message last week on the occasion of the 8th Anniversary of the signing of the North Atlantic Treaty on April 4, 1949, it is they, our Canadian troops in Europe, under NATO command along with their fellow NATO allies, who bear the immediate burden of holding back the spread of Soviet oppression and preserving world peace. Canadians are proud of the loyalty and devotion of their Service personnel in Europe, and the Canadian Government is prepared to maintain that contribution in Europe as long as it is considered necessary for the protection of the Atlantic community, and as long as the other members of the Organization, who have as much at stake in the security of Western Europe, are prepared and willing to carry their equitable share of the sacrifices it calls for.

It is our policy to ensure that our troops in Europe be equipped with the most modern weapons available, and that they be trained at all times in the latest techniques of warfare, so that they may contribute their fair share to the effectiveness of the Alliance. In line with this policy, the Canadian Government began last year the replacement of some of the F-86 aircraft at the Canadian bases in France and Germany by the valuable all-weather jet interceptor CF-100. By the end of this year, four of the twelve Canadian squadrons in Europe will have been fully equipped with this latest type of aircraft.

It is only natural that the Canadian Government takes a great interest in the North American side of NATO's military organization. As General Norstad explained recently in an address before the American Council on NATO in New York, we must remember that the hard core of the West's military strength is its retaliatory forces, and that their most powerful single element



is the United States Strategic Air Command. If the NATO line were violated, if our Alliance were attacked, it is the great power of the Strategic Air Command which would have to deliver the decisive blow to the enemy.

It is clear to us, therefore, as I am sure it must be clear to all other NATO members, that any weak point in the protective line surrounding this main retaliatory force will not only be a threat to the Strategic Air Command but also to the very security of the Alliance as a whole. The Canadian Government has accepted as its main task on the North American continent to cooperate as much as it can in the maintenance of this defensive ring around the Strategic Air Command. Given the territory which needs to be covered, you will appreciate that the ensuing responsibilities call for very considerable efforts and for equally large financial expenditures on our part. Most of you are no doubt familiar with the extensive network of air defence arrangements which we, in conjunction with the United States, have considered it necessary to build in the north. Although the establishment of these radar warning systems has confronted us with major difficulties and posed challenging problems, once the decision was taken that they were essential to the defence of the free world, we were determined to carry these programmes to a successful end. With the generous assistance of our neighbour to the south, we have succeeded in building up an effective protection for this northern side of the NATO area which is of benefit not only to the North American partners of the Alliance but to their European members as well.

These remarks about our defence policy would not be complete without a reference to the Canadian mutual aid programme. Since its inception in April 1950, the Canadian mutual aid programme has resulted in the provision of military assistance to eleven of our NATO allies, to an estimated total value of \$1,275,000,000. The elements of this programme take many forms, and range from the transfers of equipment to assistance in air training. As Mr. Campney, our Minister of National Defence, stated at the last December Ministerial meeting, we propose to continue, within the limits of our resources and continental defence requirements, this kind of programme for as long as it can be shown to be of effective assistance to our NATO partners.

While we continue to be aware of the vital importance of maintaining our guard in the military sphere, we have become equally convinced that the earlier cohesion and sense of purpose which prompted the nations of the Atlantic community to come together was perhaps not so strong, and that it is now time to give practical meaning to the many articles of the Treaty which envisaged a community bound together, not only by a common defence organization, but also by effective political, economic and cultural ties, and by the tangible promotion of conditions of stability and well-being.

The Canadian Government, therefore, looks upon the report as a significant landmark in the development of the Atlantic community. We are giving the report our whole-hearted support, and since the approval of its recommendations by the Ministerial Council last December, we have extended every possible cooperation to the Secretary-General in his efforts to have it implemented.

Although it is probably still too early to try to assess what the impact of the Committee of Three recommendations will be on the Organization, recent developments may tend to confirm the appropriateness of the warning sounded by the "Three Wise Men", that while it was not too difficult to make the recommendations, it might well be far more difficult for the member governments to put them into effect.

We believe that the Alliance will be a living and genuine community only when political consultation takes place as a matter of habit, and when member governments abide by the general principle of not adopting firm policies or making major political pronouncements on matters which significantly affect the Alliance, without adequate advance consultation. This kind of political consultation seems essential to maintain solidarity between members, more particularly at this time when the Soviet Government is clearly intent on playing one ally off against another. There are of course some cases where, understandably, because of a lack of sufficient time or for political reasons, the powers concerned and especially the big powers, have to deal with certain issues in a forum other than NATO; nevertheless, we believe that in general there remains a wide scope for effective consultation.

In conclusion, I will say that the Canadian Government is not losing sight of the severe strain to which NATO has been subjected in the last year, or so, nor are we so unrealistic as to expect that honest differences among member countries will not occur again. But, having said this, I add that there is not the slightest doubt in our minds that NATO remains no less necessary now than it was in 1949. The form of the Soviet threat to the free world may have changed, but its basic objectives remain the same. It may be presented in a different wrapping, but the challenge is still there. We have been pleased to observe that Canadian public opinion appears to have successfully avoided the pitfalls of the mirage which the pronouncements from the Kremlin about co-existence were designed to set up. We estimate that, now in Canada, there is probably a better understanding of NATO, and thus a more informed support of the aims and purpose of the Organization, than was the case a few years ago. The Canadian Government's interest in the non-military activities of NATO has led the Canadian public to appreciate more fully both the civil and military aspects involved in the development of the Atlantic community, and has strengthened the view that these two aspects can no longer safely be considered in water-tight compartments, either between or within nations.

I can assure you, gentlemen, that the Canadian Government will continue to do everything within its power to foster still further this public support for the Organization. We believe that as long as the Organization rests on the faith and the conviction of the 300 million people who constitute the Atlantic community, NATO will be able to play the effective and constructive role which you and I expect from it, not only for collective military defence, but in the maintenance of international peace and security, and the solution of the problems that now divide the world.

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No. 57/25

"SEARCHING FOR PEACE IN PALESTINE"

Address by Mr. L.B. Pearson, Secretary of State for External Affairs, on the occasion of the Negev Dinner offered by the Montreal Jewish Community in honour of Mr. L.D. Crestohl, M.P., Monday, April 8, 1957

It was with great pleasure that I accepted your kind invitation to be here this evening. For more than one reason I have looked forward to the opportunity to address this distinguished audience. It is always gratifying to speak to a gathering of Canadians having a high sense of social responsibility and a devotion to the public good. It is a pleasure, too, to be present on an occasion when honour is being done to one of my colleagues in the House of Commons, and to be able to add my own word of tribute to those already addressed to Mr. Crestohl.

Many of you here this evening regard yourselves, I am sure, as active partners in the constructive tasks which the Government and people of Israel have set themselves. You have given much of your strength and your means, first to make it possible for an independent Jewish state to exist at all, secondly, to help consolidate Israel's hold on life, and, in the third place, to help it to achieve a status in the international community in consonance with the dignity of the Jewish people. Your first loyalty to your own country has not been prejudiced by loyal support for Israel.

It was exactly ten years ago, in April, 1947, that the question of the future of Palestine was referred to the United Nations General Assembly by the Government of the United Kingdom. From that time until the present it has been the constant aim of the Canadian Government with, I think, the hearty support of the people of Canada, both to assist and support the new state which emerged, and to find some way of helping to bring peace and happiness and an opportunity for uninterrupted constructive activity and harmonious living to the people of the Middle East.

At the time when Canada was first drawn into the discussion of Palestine's future, I remember that a committee of the United Nations General Assembly, over which I presided had before it the introductory statement of the United Kingdom representative: "We have tried for years to solve this problem of Palestine ... we now bring it to the United Nations in the hope that they can succeed where we have not". That was the point from which the United Nations effort started. There was at that time, as you all recall, a deep division of opinion in the General Assembly as to how the matter should be handled. I think no government dissented, or at least openly dissented, from the widely-held belief that the time had come for the Jewish people to have somewhere in the world a territory in which to rebuild a national life of their own. Those people, torn and persecuted by the Nazis in World War II, desired, for obvious reasons, to establish that territorial base in Palestine. To most non-Jews also, this point of view seemed acceptable and logical because there had already been laid in Palestine by Zionist effort, within the period of the mandate, considerably more than the mere foundation for a Jewish national home.

The problem which confronted us, then, was essentially this: On the one hand there was an Arab determination to fight in order to secure a single independent state in which at least two-thirds of the voters would be and would remain Arab. On the other hand, there was an equal determination by the Jewish Agency representatives to resist any recommendation of the General Assembly which did not give the Jewish element of the population control of one of the two states into which it was proposed that the mandated territory should be divided.

No matter what recommendation was made by the Assembly, therefore, it was tragically clear that conflict was only too likely to break out. For those of us who had worked through the United Nations meetings to secure a fair agreement on the future of Palestine, the question remained essentially the same at the end of the debate as it was at the beginning: Which of the proposed arrangements would impose the least injustice in the face of conflicting claims, and which gave greatest promise of being capable of providing a foundation on which the fullest development of both Arab and Jewish life was more likely to be possible?

I was among those who were very greatly disappointed that the Arab governments refused to see the positive possibilities for themselves in the partition plan which we worked out at the General Assembly in the autumn of 1947 with meticulous attention to detail and with constant concern for the rights both of the Palestinian Arabs and of Jews. Since there already existed in Palestine a large Jewish community, and since there was already a lack of harmony between Jewish and Arab views on a wide range of questions relating to their common problems it had seemed to us not impossible that the Arabs would consider it better after all in the long run to accept partition than to be in constant conflict with a vigorous one-third minority in a unitary state covering the whole of the country.

It seemed to us also, as it did to the majority of United Nations members, that the most logical and the simplest way of doing justice to both elements of the population of Palestine was to arrange a disposition of the territory which would give each element control over its own destinies. A plan to this end was recommended, and you know what happened. The Arab governments rejected it and took up arms to prevent it being carried out. But their appeal to arms failed.

The State of Israel came into being but, because of military operations, its boundaries were not the same as those of the partition plan. A truce was arranged by the Security Council. Later, on November 16, 1948, that Council called on the parties to the Palestine conflict to proceed from this imposed truce to the series of armistice agreements, which have helped, since 1949, to provide a framework within which, for seven and a half years, a return to open hostilities was at least avoided. The progress made by Israel in these seven and a half years, with your aid and with the aid of others like yourselves, has thus been made possible by this decision of the Security Council in an hour when prospects of a return to peace seemed dim indeed.

The next logical step, of an advance from the armistice regime to a peace settlement, has, as we know all too well, not yet been taken. There has been a fever of discontent in the area, attributable to the fears and dislocations caused by the sudden transition to new conditions, the effect of which may have been mitigated from time to time by external applications, but which has not so far been cured in any fundamental sense.

It was perhaps just as well that the United Nations was already familiar with the documentation in this case before the crisis came last autumn for, at the beginning of November, demands for United Nations action were presented without any opportunity for pulse-taking or the compilation of case-histories. Both remedial and preventive action seemed to be immediately necessary. We had to keep in mind that violence - however great the provocation - begets violence.

I know that you, as Canadians, look at the situation which has developed in the Middle East not only with a keen sympathy for the position in which Israel finds itself today, but also with a sense of responsibility for the maintenance of the peace of the world as a whole, which is the over-riding responsibility of our generation. Nothing, in the long run, can be satisfactory short of establishing peace and the rule of law, because in our day literally nothing less can assure the survival of the human race. It must be the main business of this generation to get on with that task, however discouraging, indeed however impossible it may seem to be.

In November last at the United Nations, then, it seemed necessary to act quickly and to improvise, to stop the fighting and prevent it spreading. What we resorted to was an experiment in United Nations intervention never before tried, and which still remains to be proven. Moreover, this intervention had, or should have had, the dual objective of first, bringing what might conceivably have become a general conflagration under control, and then turning men's minds to the removal of the causes which brought about the violence and thereby to secure the rule of law in matters relating to the area of conflict. In my own mind there has never been a moment's doubt as to the imperative relationship between these two things and our responsibility to do something about both of them. Nor has there ever been in my mind any doubt as to which is the more difficult of the two tasks. Events since November have made that clear. Peace is not merely a passive condition of absence of conflict. That, at best, is only hibernation, and it can mean something worse. Peace can be secured only by the agreed solution of problems between nations. It is an arduous and active adaptation to the pressures and changes that come with growth.

Last November, then, we had two things to think of at once - how to prevent the spread of violence and then to order things so as to prevent, if possible, its recurrence. For the latter, the Assembly stood firmly on the ground of full, not partial or prejudicial, but full compliance with the Armistice Agreement between Israel and Egypt.

It has been suggested lately, here and there in Canada, that since there have been many violations of this Armistice Agreement, it would be as well to scrap it. My own view, however, is that peace has not come to Israel yet because the orderly processes and the pacific principles prescribed in the Armistice Agreements have not yet been fully applied by the parties, each of whom has yielded to the temptation which assails all human beings to favour the rigid application of some clauses which favour its own interests while finding excellent reasons for slurring over or arguing away the immediate relevance of other clauses which are considered to be less advantageous to itself.

Particularly do I believe that the United Nations should try to take steps that will be effective in carrying out that part of the Armistice which forbids belligerent or hostile acts by either party. This seems to me to be basic to the whole question of compliance with the Armistice, and if it can be frustrated, for instance, by specious claims to prevent innocent passage for Israeli ships into and through the Gulf of Aqaba, or through the Suez Canal, on grounds of self-defence, justified by a technical state of war, then the rest of the Armistice Agreement means little.

But behind the Armistice Agreement, there is something even more fundamental, namely, the absolute necessity of the admission by Israel's neighbours, openly and sincerely, of her right to an honourable and secure national existence. Without this, how can there possibly be peace in the area? I would like to see that right confirmed by formal statements by every member of the United Nations, which would ensure also Israel's full right to protection, under the Charter, against aggression. Without some such assurances, how can the fears of the people of Israel be set at rest? And with those fears, how can there ever be peace? In this connection, may I quote what I said at the United Nations Assembly last February:

"The problem is basically one of fear, which breeds distrust and animosity and conflict. There has been fear on Israel's side of extermination by neighbours whose hostility to the creation and continued existence of their State has been strong and unremitting. It is difficult for people to act with the moderation and restraint through which wisdom expresses itself if they believe that they themselves live in the shadow of destruction and are uncertain about their very survival as a nation.

"The fear from which the people of Israel suffer, the fear which explains the violence of reprisals which they have taken against their neighbours, will be on the way to elimination when the Arab states are willing to recognize Israel as a sovereign state, and its right to national existence within accepted boundaries and under conditions of life tolerable to its people.

There is, however, a reciprocal step to be taken. Israel should reaffirm her determination to do whatever she can to remove the fears of her neighbours that Israel's existence is bound to mean expansion at their expense.

Again may I quote what I said at the UN Assembly in February.

"On the other side, however, there is also fear, which has led to extreme policies and to violence. Among the Arab states there is a deep and understandable apprehension that the displacement of population and the political tension already associated with a new state, most of whose citizens have come from abroad, a new state established in the midst of the Arab people may be followed by still further dislocations owing to the pressure of immigration into Israel, backed as that state is by strong international pressures and international resources. There is a fear that Israel will yield to expansionist ambitions, which is the counterpart of Israel's own fear of Arab intentions. This has bred in the Arab world animosity and violence toward Israel. When that fear is dissipated we may count on moderation in the attitude of Israel's neighbours toward that state. We cannot but agree that if Israel has a right

to live and prosper, freed from the fear of strangulation by its neighbours, the Arab states also have a right to feel confident that Israel will not attempt to expand its territory at their expense..."

It is, I think, entirely consistent with these views that I have expressed as to the necessity for doing our utmost to remove fear that we should have supported full compliance with the Armistice Agreement which was designed, and rightly, however faulty its execution, to prevent the imposition of the will of one nation on another by force.

At the Assembly, however, we realized that it was not enough merely to say "stop fighting and return to the Armistice arrangements". That alone would have been inadequate to the point of futility.

So we tried to follow up a cease-fire with other constructive ideas. The first was to put a United Nations Emergency Force, organized for the purpose and with adequate authority, into the area of conflict, between the opposing forces; to secure - I emphasize that word secure - and supervise the cease-fire and assist in restoring conditions of quiet. This has been a difficult operation, without precedent to go on, and with differing views on the exact nature and function and control of a Force coming from a number of governments whose views on Middle Eastern matters are not all the same. The Canadian Government believed that this Force should be given the broadest possible authority to carry out its functions. We have refused to agree that any state, even that on whose territory it is operating with the consent of its government, can control it or decide when its task is finished. That is a matter for the United Nations. If it turned out to be otherwise, then this country could surely not continue to participate in it. But this decision is one which we would take with the greatest possible regret, and only if we were forced to do so because we believe in the value of this Force. Elements of it stationed at Sharm al-Shaikh have already had a good effect on preventing interference with shipping in the Straits of Tiran, where there should be no such interference. It is also useful, I think along the demarcation line in preventing incursions, and this should make retaliation unnecessary. It is also strongly represented in the Gaza strip, and arrangements have been made for its activities there of a kind which should help it to keep reasonable peace on the line. Perhaps all these arrangements will not work out satisfactorily, but we must surely give them a chance and make sure that failure will not be our fault.

If the Government of Egypt were to refuse to co-operate in a way to make possible the effective functioning of this Force, which threatens no one and has only one aim, to protect the peace, then that Government would be taking a serious responsibility unto itself and its actions should be challenged and condemned at the United Nations.

But the Government of Israel has also a responsibility. It should, in my view, admit in principle the right of UNEF to be deployed on its side of the demarcation line, in accordance with arrangements to be negotiated with it by UNEF. I hope that it will agree to this.

There was one other matter, apart from UNEF, with which we were very preoccupied at the Assembly. We felt strongly that the Resolutions of the last Assembly governing the functions and powers and operations of UNEF, and, above all, those dealing with arrangements to follow the withdrawal of Israeli forces from Egypt, should be spelled out with as much precision as possible, so we would all know, especially Israel, where we stood. Our position on this matter was made known to the Assembly and we put forward proposals to this end as clearly as we could. May I quote from what I said at the time.

"First there should be a firm pledge by the Governments of Israel and Egypt to observe scrupulously the provisions of all the 1949 Armistice Agreement. But when we talk about scrupulous observance of the Armistice Agreement, we should mean, not some of its provisions, but all of them. What are they?

"First, the establishment of an armistice demarcation line, which is not a political or territorial boundary, but which cannot be changed except by agreement between the two parties. Also the agreement prohibits any form of aggressive action, warlike or hostile acts, if you like, belligerent acts, or resort to force by the land, sea or air forces of either side. They establish the rights of each side to security and freedom from fear of attack.

"Second, the Secretary-General and the Commander of UNEF should make arrangements with the Governments concerned for the deployment of UNEF on the armistice demarcation line. ...

"Third, regarding the Gulf of Aqaba and Straits of Tiran, it should be agreed and affirmed that there should be no interference with innocent passage through or any assertion of belligerent rights in the Straits. ...

"Fourth, the United Nations should be associated to the maximum possible extent, and through detailed arrangements to be worked out, with the civil administration of Gaza."

We had drafted a resolution covering these proposals but we failed to secure enough support for it to justify putting it formally to the vote. Certainly delegations, notably that of the United States, thought that such a resolution could not secure the necessary 2/3 majority and that, therefore, we should sacrifice the better for the possible; that we should play more by ear than by note. Perhaps they were right, but I hope we don't get an earache in the process!

In any event, somewhat vague declarations and approval of reports of the Secretary-General took the place of clear and detailed resolutions. It was on these (on the whole constructive and useful generalizations) and especially on certain assumptions and hopes and expectations, received as a result of separate discussions with the United States, and which it is the particular responsibility of that country to make effective, that Israel withdrew her troops from Egypt and the Gaza strip.

I have heard it said that we pressed Israel to adopt this procedure and to rely on these assumptions as sufficient safeguards for her position after withdrawal. There is not one word of truth in this, even though we thought the assumptions reasonable. On the contrary, as I have said, we did our best, but without success, to convert such assumptions into United Nations recommendations covering United Nations administration of Gaza, deployment of UNEF on the armistice demarcation line, non-interference with shipping through the Straits of Tiran, non-discrimination in the use of the Suez Canal, and full compliance with all terms of the Armistice Agreement, including prohibition of all hostile acts. I am only sorry that we did not succeed in our efforts to get such a resolution through. Our failure, however, will not prevent us doing the best we can in the United Nations and as a contributor to UNEF, to pacify the area, and prepare the way for the peace settlement that must come.

Looking at the basic realities of the present situation, the following points seem to me to be important: (a) Israel is entitled to the security which she has not yet enjoyed; (b) the Arabs, who originally insisted that Palestine should be a unitary state, have for the past five years made it clear that they will now accept the principle of partition on two or three conditions. These conditions are far from being acceptable to Israel, though they do represent a step forward in that they do recognize that a State of Israel has come to stay. Perhaps that step can be consolidated and others taken if and when immediate tensions are reduced and if an atmosphere can be created more favourable to negotiation and to an ultimate peaceful settlement. I think that an important factor which might be used to this end is the stronger interest which the United Nations (apart from the U.S.S.R. and its satellites) has been taking in genuine peace for the Middle East. This is certainly a continuing asset which has not been exploited to the full extent of its capabilities for helpfulness.

One final matter I would mention, and one to which you have given much attention already, is the extent to which Israel's insecurity is increased by the continuing problem of the Arab refugees. I do not wish to say much about this matter this evening since it is a problem with many ramifications, but there remains the fact that Israel, which has always acknowledged the obligation in principle to compensate the refugees for their

properties, has not yet considered itself to be in a position to discharge this obligation, for reasons with which we are all familiar. It is clear that so large a number of refugees - 900,000 - cannot return to their former lands in what is now the State of Israel, whose total population has grown so rapidly that it already presses hard on the available resources to support it. Nor, in all probability, would many refugees desire to live in what would now be to them an alien country. Some such repatriation should be possible, however, as that which would be involved, for example, in the reuniting of families. For the rest, and that means the great bulk of the refugees, resettlement as an international operation, to which Israel, among others, would make a contribution, seems to be the only answer.

I look even further ahead to the day that, with peace established, with boundaries settled, the refugee problem liquidated, provision could be made for the economic development of the whole area, by projects such as the Jordan River scheme, worked out between Israel and its neighbours ; and by others in which the international community could assist through the United Nations or otherwise.

First of all, however, there must be a political settlement, a peace settlement. Then, and only then, can the unhappy recent past, so full of strife and conflict, be replaced by a future of peace and progress for Arabs and Jews alike.

Canada must continue to play an active and constructive part to bring this about. Our reward will be the friendship and goodwill of a State whose people have already, by their exertions, their sacrifices and their progressive and democratic ways, earned our own admiration and support.

S/C



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No. 57/26

THE PRESENT POSITION OF THE UNITED NATIONS

Address by Mr. L.B. Pearson, Secretary of State for External Affairs, to the Women's Canadian Club, Saint John, N.B., April 4, 1957.

There have been doubts and criticisms levelled recently--in Canada and in other countries--at the United Nations. On the other hand, hopes, perhaps exaggerated, have been raised about what the UN Assembly can now do because it stopped the fighting in Suez.

Our present preoccupation with the future of the Organization is, in fact, due to a large extent to the dramatic events of last autumn in the Middle East when the United Nations moved in, via the Assembly, in a way which captured the world's attention and caused both praise and criticism.

For myself, I remain firm in the belief that our world Organization remains an indispensable agency for international co-operation. If it did not exist, something like it would have to be found or else we would lapse into a state of international anarchy in a divided world with the forces of freedom on one side, the forces of reactionary Communism on the other, facing each other in fear and hostility across an unbridged chasm, and with the uncommitted millions of Asia and Africa trying to remain aloof or perhaps form their own alignments.

It is not a cheerful picture; and it makes it all the more advisable to have a new and realistic look at the United Nations, especially in the light of our recent experiences at the General Assembly.

One aspect of the situation - which those experiences have emphasized -- concerns the position of individual states, especially in voting power. The voting rules of the United Nations Assembly are certainly not ideal. It is easy enough to portray as absurd an arrangement by which Luxembourg, Cambodia and the United States have one vote each; when any rational approach would result in some form of weighted voting by which power and responsibility would be related to voting rights. It can be argued that no national government could be

run on such a basis of inequal distribution of representation and responsibility, although one should not forget that in the United States Senate, one-third of the members representing only a very small percentage of the population of the country could, theoretically, prevent any treaty becoming effective.

The fact remains, however, that the United Nations is an association of sovereign states each, in theory, equal to every other one. In any event, what matters most is not theoretical possibilities, but the use to which votes are put in practice. The record here is not unsatisfactory.

The larger powers, because they are the most powerful, do influence the voting of the smaller powers; do exercise far more power than a single vote would suggest. As an example during the weeks before the Israeli withdrawal from Egypt, a mathematical majority could probably have been secured in the Assembly for sanctions to be imposed against Israel. However, the issue was never presented to them for decision. Why? The influence of the United States and other countries, including Canada, was sufficient to prevent the Assembly from taking this action which would have been premature and unwise. The members at least the majority of them recognized the facts of power and the impossibility of taking effective action on sanctions without United States support, even if they desired to do so. They knew that diplomacy was going on behind the scenes and that a solution might be forthcoming which might be at least of a character which they could not openly oppose. So sanctions were never put to the vote.

At the recent Eleventh Session of the Assembly which was dominated--and at times disrupted--by Middle Eastern issues, voting power was used to pass some resolutions which were futile, others that were silly, and one or two that were unfair. But it would be hard to prove that any of them were dangerous or extreme, and some of them were of positive peace-preserving value. There were extreme speeches made and some irresponsible moves attempted. But the resolutions which secured the requisite two-thirds majority were usually the product of reasonable compromise.

The picture which is being built up in certain quarters of a majority of the votes of the United Nations Assembly lined up irrevocably against the West, demanding that the Western democracies give up their territories or hand over their treasure, is not an accurate one. It is based more on impressions from the controversial political harangues which so often disturb Assembly proceedings, than on a study of actual results. Good results, however, often command less attention than violent polemics. Unfortunately, conflict and controversy are their own best publicity agents, while quiet achievement seldom gets a headline.

Discouragement and defeatism about the United Nations arises also from a faulty understanding of the Charter and the power of the United Nations. We must never forget that the United

Nations is not a government, let alone a super-state. Its Assembly can't order anybody to do anything. Its votes are only recommendations and therefore in that sense are not as important as those of a national parliament. Peoples become disillusioned when recommendations, which they confuse with orders, are not carried out; or, even worse, carried out only in certain circumstances.

It is also irritating and can be harmful for responsible countries to be unfairly censured by a majority vote or to have impracticable or unfair resolutions directed against them when other members seem either to escape censure or ignore it. But one can easily exaggerate the damage that is done. It is regrettable, of course, that certain Western countries get far more than their fair share of censure, while far worse offenders escape. It is not true, however, that the Western powers are the only ones who suffer from this practice. There is also vigorous and effective criticism of Communist and of Asian States.

Nevertheless, there is, I admit, at the present time an "anti-colonial" bias in the Assembly which often operates unfairly against certain of its members. For good reason; this rankles. It is irritating, for instance, to hear the word "colonial" used only in respect of those powers who have acquired overseas territories which they have led to or are leading to freedom and self-government. I am thinking particularly of Great Britain, whose great glory is the transformation by her own deliberate policy of her colonial empire into a Commonwealth of Nations. To listen to attacks on Great Britain and France as "colonial empires" when the Soviet Union, which holds under an iron despotism so many millions of subject people, is relatively immune from such attack is, I confess, hard to take. It should not, however, be seen out of proportion. It should not be assumed, for instance, that these colonial issues would not exist if the United Nations did not. They certainly would and probably in more dangerous forms.

Certainly the record of the recent Assembly on the most important items in its agenda does not warrant a charge that it behaved irresponsibly or fanatically, or that it was invariably hostile to the West. Let me give one or two examples.

(1) ALGERIA

It is charged that the Assembly's "interference" in Algeria, part of metropolitan France, would justify the French for rejecting completely the role of the United Nations. The French this year, however, wisely altered their previous tactics and tried to come to terms with the Assembly by participating in debate with moderate and reasonable statements, in which they were able to make their own case more widely and favourably known. The Assembly produced a very mild resolution on Agleria,

which the French accepted and which was approved by all members. The final resolution, in fact, served the best purpose which a United Nations Assembly can serve. It allowed members to blow off a certain amount of steam and eventually to compromise and, as a result, to produce an atmosphere more conducive to fruitful negotiations between the conflicting parties.

(2) CYPRUS

The British, like the French, had agreed this year to put their case to the Assembly rather than deny its right to consider the question at all as ultra vires the Charter. The debate was far from one-sided and served, in fact, to expose the fallacy of some of the more extreme anti-British positions. Although the Greeks, the Turks and the British had insisted that they could not accept any compromise, they were quite happy in the end to accept a mild and, I hope, useful resolution.

(3) WEST NEW GUINEA

On this other "colonial" issue, the results were somewhat different. A resolution supported by almost all the Asian and African countries as well as some South American countries and the Soviet bloc did not secure the requisite two-thirds majority vote in the Assembly and, therefore, lapsed. The Dutch spoke firmly but moderately and reasonably, and they undoubtedly profited in goodwill from this approach. As no decision was taken by the Assembly, no requirement was made of the Dutch to take any action at all. The intervention of the United Nations, therefore, did not, because of the provisions of the Charter result in any interference with the rights of a Western country. It is doubtful, furthermore, whether the debate which took place fanned the flames of anti-colonialist nationalism any higher than they would have been driven through the usual channels.

(4) DISARMAMENT

The debate on this subject ended in unanimous agreement on a purely procedural resolution after a somewhat routine discussion. While there is clearly not very much agreement among the Great Powers on the substance of this question, they do agree that although this subject must be considered within the framework of the United Nations, the full Assembly is no place for serious discussion. The Russians started off with the usual propaganda attack, but they subsided quickly and stuck to an understanding reached with the Americans before the debate that there would be no examination of the substance of the subject in the unwieldy full Assembly, and that it would be referred again to the Sub-Committee.

These annual exercises on disarmament cannot be said to advance the matter very far, but they do keep the subject before the public. This year the Assembly proved a useful forum in which to push the Great Powers towards more serious consideration of limiting nuclear tests, a move in which the Canadian Delegation assisted. There is much to be said for the practical arrangement by which the responsible powers work on such subjects as disarmament in a small private committee, but are subject in the Assembly to the pressure of public opinion from other delegations.

The issues which I have mentioned, were, of course, not nearly so important as those of Hungary and Egypt. It is primarily for the handling of these questions that the United Nations has been accused by some of unwarranted interference; by others of ineffectiveness; and by many of laying down double standards of behaviour.

THE MIDDLE EAST

It is not possible yet to pass a final judgment on the actions of the United Nations over the Egyptian crisis. If we assume that the military invasion of Israel, followed by the intervention of Great Britain and France if it had been not interfered with, would have resulted in the over-throw of Colonel Nasser and his replacement by a well-disposed Egyptian regime, by the establishment of international control of the Suez Canal and by progress towards a solution of the Palestine question, then one may consider United Nations intervention wrong and ill-advised. If it is felt, however, as I myself feel, that military action of the kind taken could have accomplished none of the purposes that I have mentioned, that, on the contrary, it would have driven the Egyptians to invite Communist help, have split the whole Asian-Arab world from the West in bitter hostility, and imposed heavy, perhaps unbearable, strains on the Commonwealth Asian members, then, the sooner it was stopped by international action the better for all concerned including, in particular, the British and the French themselves.

From this point of view, United Nations intervention was an essential service to peace. Certainly there could not have been international intervention by any other agency. Intervention by the other Great Powers on their own would have had, I believe, disastrous results. Any effective international action outside the United Nations would have required collaboration between the United States and the U.S.S.R., which was obviously impossible. Or, at the least, it would have required close collaboration between the Big Three of the West. Even if that had been possible - and, unhappily, it was not - it would have met fierce Arab-Asian resistance and the threat of Russian interference.

In my view, the role played by the United Nations last November was important, yes essential, for the preservation of international peace and security. Whatever may happen now,

and there is much to make us uneasy about the present position of the United Nations in the Middle East in attempting to carry out Assembly directives which are, in places, too vague and uncertain, I believe that a grave crisis last November was prevented from developing into something far worse by action of the kind which could only have taken place within the United Nations. Our subsequent efforts to move from a cease-fire, to pacification and to a permanent solution, may or may not succeed, but even if they do not, that will not prove that the action of the United Nations in November 1956 was wrong.

The role of the United Nations Assembly, it seems to me, became more questionable later on when the effort to secure an equitable basis for Israeli withdrawal from Egypt was the issue. It is undoubtedly a handicap to have an Assembly with a large number of members committed strongly and in advance to one side or the other. This awkward fact has contributed to the difficulty of securing the necessary majority for any United Nations policy except for one not clear or definite enough to ensure a solution of substantive problems. To get the necessary votes, we have too often watered down resolutions or, even worse, replaced them by "hopes and assumptions". But it is foolish to assume that the situation in question could be handled more easily if the United Nations could only be ignored. Would we be better off today in the Middle East without UNEF or the mediatory efforts of the Secretary-General? In diplomatic activities outside the United Nations, would there be a constructive role, or, indeed, any role at all for middle powers who, without immediate interests involved, should, therefore, be able to take an objective and impartial view of issues? The only feasible alternative to negotiation through the United Nations would be the imposition of a solution by unilateral action by the United States or the U.S.S.R. or by the joint action of the United States and the U.S.S.R. with all the risks to peace that this would involve; which has always been a nightmare of the European countries and is, as we all know, inconceivable at the present time or in the foreseeable future.

HUNGARY

It has also frequently been alleged that the Assembly sanctioned a double standard of morality in its attitude towards the U.S.S.R. over Hungary in contrast with its action towards the United Kingdom, France and Israel over Egypt. Undoubtedly there is a question of a double standard of morality involved. It is a perplexing and worrying aspect of the matter. But it is not the United Nations as a body but certain of its members who are guilty of trying to establish this double standard. The Assembly, as a body, has followed the same procedure in regard to Hungary and to Egypt. It requested the U.S.S.R. to withdraw from Hungary and the United Kingdom, France and Israel to withdraw from Egypt. The Russians treated United Nations resolutions with contempt, and the other members (even though their actions were in no ways comparable with the aggression of the Soviet Union) complied. Is the guilt for this varied response

to be placed on the United Nations Assembly? Or is it, on the contrary, to be placed squarely on Russia, where it belongs?

To attack the United Nations as an institution for failing to save Hungary from Russia is misleading and perhaps unfair. The attack is based to some extent on the erroneous impression that the African-Asian group refused to condemn Soviet action in Hungary after having denounced the British and French Governments over Egypt. It is true that some members of this group were slow to recognize the brutal nature of Soviet aggression and inclined to suspect a deliberate effort to divert their attention from Egypt. When it was clear to them, however, what was happening, the great majority of them strongly denounced Soviet action, and only the "hard-core Arabs" abstained from the condemnation which was voted.

The reason the United Nations did not save Hungary was that it could not; not that it would not. The fault lies not in the Organization as such, but in the hard facts of Soviet policy and the cold war, with peace balanced precariously on the edge of the atomic deterrent.

It would be rash, and might be fatal, if we tried on all occasions to take UN enforcement action in order to see that justice is always done without any regard to the consequences; or without, to be perfectly frank, any regard to the big blunt fact of the Red Army. We certainly must not become the prisoners of our fears, for if we do our diplomacy is doomed, and the future would be grim indeed. But neither must we indulge in threats and gestures which may provide an easy escape for our emotions, but cannot be followed up by effective action. In the case of Hungary, for instance, if we had intervened through the United Nations by force, the first victims would have been the Hungarians themselves, and the rest of the world might have followed into the abyss.

The world as it exists in reality does not cease to be the same world when it is reflected in the mirror of the United Nations. If the picture it reflects is a sombre one, attacking the mirror does not help much. The United Nations did not create the picture we see today. It did not create the cold war, or anti-colonialism or Colonel Nasser. It is idle to blame it for these things.

If we want to solve our difficulties, we have to go to the roots of the problems themselves, and we do nothing to advance this process; indeed we hinder it by seeking to weaken or pull down the United Nations.

I admit - and I deplore the necessity for the admission - that the United Nations as an institution could not drive the Russians out of Hungary by force, and it could not have persuaded any of its members to do so on their own. However, it did what it could. It gave the U.S.S.R. an opportunity to reach a negotiated settlement and offered its good offices for that purpose.

But the U.S.S.R. spurned the United Nations, which then could only mobilize public opinion - though this itself was important - in order to make the nature of Soviet aggression clear to the world, and to put the Russians morally on the spot.

This United Nations action, inadequate as it must have seemed to many, may, however, have had some effect on Soviet policy. The argument that the Russians don't care at all about international opinion does not hold water. They gave every indication last autumn of anxiety over the international reaction to their actions in Hungary and even seemed to have been reluctant for this reason to do what they eventually did. This reluctance was not, of course, based on moral considerations, which have no effect of any kind on Russian policy, but on a feeling that their action might have an adverse effect on their prestige and, therefore, on their diplomacy especially in Asia and Africa. Although United Nations pressure did not save Hungary it had some effect - and what it had was good.

AFRICAN - ASIAN GOVERNMENTS

Another criticism of the United Nations is that it is increasingly dominated by a majority of African and Asian countries allied from time to time with the Soviet bloc and Latin America; a majority which is alleged to be irresponsible in its attitude to international problems, which is dominated by an irrational hatred of Western "colonial" countries, and unwilling or unable to contribute to the wide-ranging technical and economic aid measures which it so often proposes to others. It is alleged that this situation is growing more acute, accentuated by the admission of a large number of new members last year, and that it will soon be entirely out of hand.

That there is an element of truth in the charges can hardly be denied. But it is not the whole truth, or even a major part of it. The Africans and Asians, with or without the Soviet bloc, do not dominate the Assembly. If - and this is a big "if" - they all vote together they can prevent the necessary 2/3 majority being obtained for any resolution. Their power at its strongest, therefore, is a power not to impose, but to frustrate; not positive, but negative.

What has happened is that the Western Powers themselves no longer have that dominating influence on the actions of the United Nations which they had in the past. It by no means follows, however, that the West is now automatically frustrated in its efforts to secure a necessary majority for its measures. It does follow that it must work harder to get support for them.

The fact is that there is no "Afro-Asian bloc" at the United Nations. As one Asian representative to the United Nations said recently to a member of our delegation. "The Afro-Asian bloc does not exist but many European countries are doing their best to create it." These countries themselves are careful to speak of their "group" not their "bloc", and there

are few groups within the United Nations which are less united and disciplined. The lack of cohesion in the group is a fact which should dispel some of the exaggerated fears of the Europeans.

The patterns within the group continue to shift, and often in the right direction. Provided groups do not become hard and inflexible blocs they can be a good thing rather than a bad thing for an Assembly which faces, perhaps a greater threat from anarchy than from bloc voting.

The aim of the West, therefore, should be not to oppose the development of an African-Asian group, with results that would certainly be negative, but to show a friendly interest in its workings and maintain the most co-operative relations possible with its members, very very few of whom want to team up with the Communists against the West; at the United Nations or elsewhere.

These African-Asian Governments, let us not forget, represent one of the most important forces of today; the surge of awakening millions of a long submerged world to political freedom, with a passionate determination to secure a better life than they have known in the past. Their emergence on the world scene, it is true, presents us with new problems. But these are the product of inevitable historical processes, not of the United Nations. The United Nations provides, in fact, a framework within which this evolution of international society which is going on can take place with the most peace and the least pain. Mankind marches on and we of the West must march with it, while trying to play our part in directing the march to a good goal. If we do not, there will be far more trouble even than we have today.

FRAMEWORK FOR DIPLOMACY

The detractors of the United Nations, ignoring realities, see it merely as some extra-planetary body with a life of its own, independent of national states, but with a tendency to interfere with relations between those states and as a body over which right-thinking nations who should continue to run the world have no influence at all. That, as I have tried to point out, is not an accurate picture.

Some supporters of the United Nations, on the other hand, tend to regard it as a body on which they can cast their burdens and thereby simplify - and even evade - problems of national policy and national responsibilities. This can do the United Nations as much harm, perhaps, as open opposition to it. The United Nations is no substitute for wise national policies, and it is wrong and even dangerous to give the impression that it is. But it can and should supplement those policies by providing an international framework within which we can pursue an active and realistic diplomacy for the solution of problems.

Certainly it would have been infinitely more difficult, in my opinion, to get out of the difficulties in which we found ourselves last November if the nations of the world had not been gathered together in New York. It is true that one works at times in the United Nations under the white light of intense and often ill-advised and distorted publicity; at other times, in the shadow and under the threat of majority pressures which do not lead to moderate and responsible conclusions. Nevertheless, there have been great achievements to the credit of our world organization, and they should not be forgotten in the frustrations and setbacks we have also suffered. These setbacks would have occurred perhaps in a worse form if there had been no United Nations. The achievements might not have been possible at all without it.

The United Nations has now existed for ten years, during which time it has struck deep roots in the hopes, in the emotions and in the aspirations of the free nations and peoples of the world. Its very existence is a fact, the importance of which cannot be overlooked. We should work with and through it to the greatest possible extent. We should make the very best we can of it. We can try to alter and improve it, and we can and should resist certain wrong trends. But we do not serve the cause of peace and progress when we seek to weaken and denigrate the world organization. We do serve that cause when we try to support, strengthen and develop it.

I know of no better way of doing this than to restore and reinforce the closest possible co-operation between the British, American and French delegations at the meetings of the Organization. I do not mean to suggest, of course, that this co-operation should not be wider and include many other delegations. But I want to see the kind of "togetherness" if I may use that word, between these three delegations which once existed and which can be of such great even essential, value not only to the United Nations but to peace itself. Indeed, in the tense and difficult days in which we live, nothing can take its place.

It must continue to be a major principle of Canada's foreign policy to take advantage of every possible opportunity to bring this about.

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THE UNITED NATIONS, THE MIDDLE EAST
AND CANADIAN FOREIGN POLICY

Address by Mr. L.B. Pearson, Secretary of State for External Affairs, to a Joint Meeting of the Men's and Women's Canadian Clubs, Halifax, Nova Scotia, April 5, 1957

On October 31 last the world faced with uncertainty and fear developments in the Middle East which seemed to threaten the peace; and not only peace in that area. The United Nations Assembly in New York faced a crisis in its existence because of those developments. The Canadian Government and Canada's delegation to that Assembly, caught, as other delegations were, by surprise and with little time for consultation with Commonwealth or other friendly governments, faced the necessity of making some quick and difficult decisions in dramatic, even distressing circumstances.

The threat to world peace, of course, arose out of the possibility that the conflict between Israel and Egypt would be exploited by the U.S.S.R. for its own purposes and in a way to widen and deepen the conflict.

Today, the danger of a war of general atomic obliteration - because that is what it would be - comes not so much from calculated all-out military aggression as from a miscalculation of forces and of reactions to actions which may be meant to cause local trouble only. As long as the Western coalition maintains its strength and the unity which is an essential part of that strength; as long as the aggressor knows that an attack by him will meet with swift, sure and smashing retaliation, the atomic deterrent will probably work and peace, such as it is, will continue to balance itself uneasily on terror; while we search, as we must strive to do, for a more secure foundation for it.

The greater danger is that some accidental or miscalculated, but fatal, move may be made by the forces of communist imperialism in Moscow, or that bitter and uncompromising governments in countries which have only recently acquired control of their own affairs - morbidly suspicious and assertive - might invite to their assistance those same communist forces with results as unforeseen as they would be disastrous.

This danger was in all our minds during those fateful days last autumn. It may have lessened since then but it still exists. Whether it was increased or decreased by the intervention of the United Nations in its effort to bring about an end to the military action of Israel, and later that of the United Kingdom and France, against Egypt is something over which men can and will differ for a long time. I happen to think myself, and I say this in no dogmatic manner, that action by the United Nations at that time may have prevented a bitter, unrelenting and destructive division, or worse, between the Arab, and most of the Asian world on the one hand, and the West on the other; and that in these turbulent waters the communists would have found and exploited an ideal fishing ground with unhappy and perhaps tragic results. The strains and stresses of this conflict on the Commonwealth association because of the pro-Arab feelings of its Asian members would also have been great, perhaps insupportable.

While the fighting in Egypt may have ceased, I have no illusions about the continuing threat to general peace coming from Israeli-Arab hatred and hostility and the instability and insecurity of the whole Middle East area. Nevertheless, I repeat that in my view the situation would have become worse by now if the United Nations had not intervened.

That intervention, however, is far from having been completed. The United Nations has stopped the fighting. It has brought about the withdrawal of foreign forces from Egypt, though not, in the case of Israel, through the kind of clear and specific arrangements which we favoured but were not able to secure. But the United Nations or its Members have not yet done much about the situation which brought about military intervention in the first place. Until they do, there is no reason to be satisfied or to come to any final and approving conclusions about our work in New York.

The question, then, whether the United Nations should or should not have intervened last October is one that historians will argue about for years. The question whether Canada should or should not have joined the United Kingdom and France in opposing such intervention is one which does not have to await reference to the historians for an argument. It has already been widely debated and perhaps we will be hearing a good deal about it in the noisy weeks ahead.

So far as the United Nations is concerned, once military action had been taken by Israel - and later by the United Kingdom and France - no matter whether we supported or regretted that action, its intervention was inevitable. Surely with Arab and Asian members feeling as they did, and with Russia gleefully seizing an opportunity to cause trouble - and take our minds off her own brutal aggression in Hungary - it was obvious that the United Nations would be brought into the situation; first via the Security Council and, when the veto made action by that body impossible, via the General Assembly under the "Uniting for Peace" Resolution. Indeed, if the United Nations had not intervened it

would have been an admission, perhaps a final admission, of its impotence in the prevention or ending of local conflicts.

The problem for the Canadian Delegation in New York, then was whether to join the small minority of members - six - who disapproved United Nations action; or whether to agree with the other 73 that some form of United Nations intervention was justified. We took the latter course, and then tried to ensure as best we could that this intervention would be effective not only for bringing the fighting to an end, but for preventing its renewal and, most important of all, for doing something about the situation that had caused the fighting in the first place.

That situation centres around the Arab-Israeli conflict; and we are not likely to have peace in the Middle East until that conflict can be resolved, or at least reduced.

Its root cause, as I see it, is fear, which breeds distrust, animosity and ultimately clash and conflict. May I quote what I said about this at the UN Assembly last February.

"There has been fear on the one side of extermination by neighbours whose hostility to the creation and continued existence of the State of Israel has been strong and unremitting. It is difficult for people to act with the moderation and restraint through which wisdom expresses itself if they believe that they themselves live in the shadow of destruction and are uncertain about their very survival as a nation.

"The fear from which the people of Israel suffer, the fear which explains the violence of reprisals which they have taken against their neighbours, will be on the way to elimination when the Arab states are willing to recognize Israel as a sovereign state, and its right to national existence within accepted boundaries and under conditions of life tolerable to its people. There were some signs a year ago that we might at least be approaching a time when the Arab states would be willing to grant Israel this recognition. Unfortunately, the events of last autumn have reversed that trend. It must now be one of our major aims to help set again in motion the forces which will lead to the early recognition of Israel in normal terms by its neighbours, and thus to the removal of fear.

"On the other side, however, there is also fear, which has led to extreme policies and to violence. Among the Arab states there is a deep and understandable apprehension that the displacement of population and the political tension already associated with a new state, most of whose citizens have come from abroad, a new state established in the midst of the Arab people, may be followed by still further dislocations owing to the pressure of

immigration into Israel, backed as that state is by strong international pressures and international resources. There is a fear that Israel will yield to expansionist ambitions, which is the counterpart of Israel's own fear of Arab intentions. This has bred in the Arab world animosity and violence toward Israel. When that fear is dissipated we may count on moderation in the attitude of Israel's neighbours toward that state. We cannot but agree that if Israel has a right to live and prosper, freed from the fear of strangulation by its neighbours, the Arab states also have a right to feel confident that Israel will not attempt to expand its territory at their expense; the right to be assured that if Israel, however, should at any time develop such ambitions it will receive no encouragement, but meet only opposition on both the official and non-official level from the outside world, an opposition which would result in the isolation of the State itself from any international assistance or support."

Facing the situation created by the explosion into fighting of Israel's fears for its security and for its very existence, the Canadian Delegation in New York had to try to reconcile three sets of obligations, arising from:

- (1) membership in the United Nations and acceptance of its Charter;
- (2) membership in the British Commonwealth of Nations;
- (3) membership in the Western coalition, the leader of which is, and must be if only from the facts of power and resources, the United States.

As a member of the United Nations we felt it our duty to support a cease-fire and efforts to bring about peace in the area - and peace means more than ceasing to fire.

As a member of the Commonwealth we had a duty to co-operate to the maximum extent possible with the United Kingdom and the other members; and if and when we differed, to make sure that those differences were resolved as quickly as possible and did not drive us into purely negative courses, or into mere condemnation or recrimination.

Our problem was graphically illustrated by the first resolution on which we had, very quickly, to take a stand some-time after midnight November 1. On that first resolution, for a cease-fire, the Commonwealth itself was badly split. It is easy to think of the Commonwealth primarily in terms of the United Kingdom, the core and centre of which it is, with a group of free, Anglo-Saxon nations around it. But today three of its members are Asian and more than four-fifths of its people come from these three Asian countries.

On the first resolution, then, the United Kingdom, Australia and New Zealand were opposed; India, Pakistan and Ceylon strongly in favour. Canada and South Africa abstained. Our position was that while we supported the cease-fire in principle, the resolution did nothing to organize any United Nations machinery to supervise and secure it; or to recognize that the United Nations had responsibility for dealing with the issues which brought about the military intervention. We thought the resolution was inadequately drawn and too hastily put to a vote.

We knew that same evening, however, that both the United States and the United Kingdom would support a move on our part to set up a United Nations Emergency Force to operate in the area in order to make a resumption of hostilities more difficult. So from that time we devoted our efforts largely to this matter, with the full support of our friends in London, the other Commonwealth countries, and in Washington. In this effort, and in other Middle East discussions to follow, any difference of opinion which we had with the United Kingdom over the advisability of the original intervention did not interfere with the closest and, as the United Kingdom Prime Minister has put it, "the most comradely" contact.

We have never condemned, though we regretted, the military action which the United Kingdom felt it necessary to take after the Israeli troops marched. We have tried to understand the provocations behind and the reasons for that action; especially the vital importance to the United Kingdom of a Suez Canal "insulated from the policies of any single government". On its part, the United Kingdom has, I think, respected the motives behind our policies; our desire to remove or mitigate differences and disunity between friends by working out constructive measures at the United Nations; and our anxiety to keep the Commonwealth from splitting apart into Eastern - Western groups with perhaps fatal results to an association which has meant, and still means, so much to the world.

It was a distressing experience for any Canadian delegate at the United Nations not to be able to give full support to the United Kingdom on all matters at the UN last autumn. When we differed, it was with reluctance. Canadian policy, however, at the United Nations and elsewhere has to be determined primarily by Canadian considerations, and Canadian interests, and, in my opinion, requires that Canada should not automatically follow any other government, however close and friendly. But at the same time, we should not pursue this Canadian policy in any narrow, selfish way, but with a full realization that the greatest Canadian national interest is international peace and security and that this interest is prejudiced when there is division within the Commonwealth or between London and Washington and Paris.

Lest it may appear that this feeling I have expressed for the Commonwealth is a recent growth from the shock of the

controversies of last autumn, perhaps I may be pardoned for quoting from a speech I made in Halifax on January 26, 1952. I said then, and I repeat now:

"...It should be and is a first principle of Canadian policy to maintain and strengthen the Commonwealth association, under the Crown, which is and will remain not only its symbol, but which also demonstrates the continuity of our own history and the depth of its roots.

"Our Commonwealth of Nations is continually renewing its usefulness in different forms. It is of particular value at the present time in that it acts, through its three Asian members, as a bridge, one of the few bridges, between the East and the West. We cannot, I think, stress too much or too often the importance of our family of nations in this regard. It is one of the great new services that the Commonwealth is giving the world."

There remains the third of the international obligations which were bound to influence our attitude at the United Nations during the last Assembly, and, indeed, which should influence our approach to international problems generally. This is our obligation to the Western coalition, of which we are a member, to take no avoidable action which weakens its unity and strength; particularly as it is organized in NATO.

No one, especially no Canadian, can feel anything but the deepest regret and the most acute worry when our neighbours to the South and our Mother Country disagree, except those communist forces who see in such disagreement a great help to their own aggressive designs. Those forces were full of glee last autumn, just as they are now trying to conceal their chagrin and disappointment at the encouraging results of the Bermuda Conference. But just as all Canadians felt, I think, a special anxiety when the policies of the United Kingdom and the United States diverged last autumn over the Middle East, so they felt a corresponding relief when they began to come together again - as they have done.

It is a first principle of Canadian foreign policy to co-operate closely with the two countries with whom every impulse of sentiment, history, self-interest, trade and geography counsels such co-operation. We must try to keep in step with both the United Kingdom and the United States, but that is not easy when they are not in step with each other. We are in trouble then, as we were at the United Nations last autumn over this break in the united front.

This is no time for recrimination over the past, but for restoration of unity of policy and purpose among friends. Examination of the past is only useful if it helps us to avoid mistakes in the future. Perhaps, then, we will profit in the field of North Atlantic co-operation from its collapse over the Suez. I certainly hope so. But I venture to say - and my view is founded on an experience extending now over some years in the

conduct of international affairs - that this desirable result will not be achieved, unless there is closer, more frank and more continuous consultation over policies, especially in the NATO Council, in the future than there has been in the past. Surely this should be a first requirement for every member of the coalition.

It should not be assumed that if Canada differs with the United Kingdom on any issue, even temporarily, that this difference is either the cause or the result of some alignment with the United States. Canada must, as a free nation, decide questions on her own responsibility, and not follow automatically any one, however desirous we may be of promoting unity within the group. There are bound to be influences and impulses that have an effect on our policies. Some of them I have mentioned. But we are no satellite of any other body, and this includes that magnetic and dynamic and, at times, almost overwhelming political body to the south of us.

May I again quote from what I said on this matter five years ago, because I think the sentiment is just as valid now as it was then:

"So far as the United States is concerned, there are no two countries in the world whose relations are closer and more intimate than those between our two countries. ... Naturally, as the United States possesses so much the greatest power in the free world coalition, and as its influence is correspondingly greater than the others, the rest of us are preoccupied, at times intensely preoccupied, as to how that power will be used and how that leadership will be exercised. This is, of course, a perfectly natural reaction. This actual disparity of power, however, has to be reconciled with the legal equality of all states inside the coalition. We are all free and equal in theory, and we cherish that theory on which our national freedom is based. So, naturally, we speak and act as free states, not as the communist satellites in a Kremlin camp. I am quite sure that the United States would not have it otherwise, because otherwise our support would not be worth having. ..."

I think that Canada's record at the last United Nations Assembly supports this theory of friendship and neighbourliness, without subservience or dependence.

On three important Middle Eastern resolution we were, to our regret, unable to vote with the United States delegation, on six, happily, we were. We were also not able to accept a United States invitation to sponsor an important resolution, with them and others, because we did not think it went far enough in providing for United Nations control in Gaza and on the demarcation line after the withdrawal of Israeli forces. And we let the United States delegation know that we would have to vote against any resolution of sanctions against Israel in the circumstances that existed, whatever they might be.

It is not easy for a middle power, such as Canada, with a special relationship of friendship and interest with countries like the United Kingdom and the United States, to know when to give up a national position in the interests of harmony in the group, or when to stand firm. It requires a nice, but often a difficult balancing of advantages and disadvantages.

Canadian policy, for instance, must be national in formulation and execution, but it can never, or at least should never, be isolationist or exclusive. It must, of course, as I have said, protect Canadian interests, but the greatest Canadian interest, in this thermo-nuclear age, is peace. And we know that there can be no guarantee of peace through national policy, or no safe refuge from danger in national isolation.

There may be times - I hope they will be few - when, as a free and self-reliant nation, we will have to go our own way irrespective of what our closest friends do. But that must be only after we have done everything possible to avoid such a course. That is my concept of Canadian nationalism in foreign policy. It does not include being sensitive about charges of colonialism when we are in full accord with Downing Street, as we so very often are; or about allegations of being a satellite of the United States when we are in agreement with American decisions.

I return, once again, however, to that essential purpose of Canadian policy: the promotion by every means within its power accord between London and Washington. To anyone subjected to the day-by-day problems of Canada's international relations, as I am, it seems almost impossible to over-emphasize the importance of this. It means a fuller understanding of each other's point of view across the Atlantic. It means, perhaps, if not less reliance on Magna Charta and Shakespeare and our common heritage, at least far more reliance on the cold, hard facts of self-interest and security. The United States and the United Kingdom need each other; need to count on each other; need each other's support in a dangerous world, more than they need anything else. And Canada needs them both.

Perhaps this essential understanding, based more on realities than sentimentalities, would be easier to achieve if the British could always remember and respect the vast burden of world-wide responsibility now being borne by the United States; not sought by her but accepted generously and carried gallantly; before, perhaps, the United States was ready to receive it.

It would help also if Americans could remember - there is certainly less chance of Canadians forgetting it - that the British have carried this burden for generations to the benefit of humanity, and that in the process they have saved freedom

twice in our life time.

It is largely because of the efforts they have made in discharging this responsibility, and in the sacrifice of blood and treasure which was so gallantly made, and of which we are all the beneficiaries, that today the British are no longer able to carry the burden alone.

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250,000 refugees dependent entirely on the United Nations and those which it has already taken on in respect of security at the demarcation line. From every point of view, therefore, the Government of Egypt should in its own interest as well as in the interest of peace and security give the maximum amount of co-operation to the United Nations in this effort. If it does not do so, I repeat, its action could result in the dissolution of the United Nations Emergency Force entirely and even in the dissolution of the United Nations Relief Works Agency in Gaza, and that would mean chaos. It could result in the Israeli and Egyptian armies facing each other once again in bitterness and hostility, with nothing between them.

Mr. Speaker, I cannot believe that Egypt -- even Egypt, let alone any other country -- desires that result. I therefore hope that those powers which have the greatest influence -- and I am thinking particularly of the United States -- will use that influence forcefully through diplomatic channels and any other channels which may be open to them in Cairo and wherever else is necessary, to help avoid such a disaster. So far as this Government is concerned, we will continue to do our best in helping to find a peaceful and just solution for these dangerous and difficult problems.

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OTTAWA - CANADA

No. 57/28

SOME IMPRESSIONS OF INDIA

Address to the Rotary Club of New Delhi, April 18, 1957,
by Mr. ESCOTT REID, High Commissioner for Canada in India.

I find it hard to believe that in only two weeks time I shall be leaving Delhi. In the last four and a half years, I have struck my roots deep in the friendly soil of this city. It is going to be a painful wrench for me to have to uproot myself, to say good-bye to the places I love in Delhi and to my friends here.

Delhi is so ancient and so honourable a city that it would be presumptuous for one who has lived here for so short a time to claim to be a real citizen of Delhi. But may I ask this assembly of distinguished citizens of Delhi for permission to bestow on myself the title, "demi-Dilliwallah".

I have read in Spear's fascinating book on late Mughul Delhi that Delhi in the days of Aurangzeb was reported to have had two million inhabitants, that "it was the largest and most renowned city, not only in India, but of all the East from Constantinople to Canton". Then came Delhi's tragic days. First the sack by Nadir Shah. Then the other sacks and atrocities and civil wars. Finally, the Rebellion of 1857 and its suppression. By 1858 the once great and imperial city of Delhi had shrunk to a town of 50,000

The history of the world is replete with cities which were once great and imperial like Delhi, and then like Delhi declined to nothing, or almost nothing. But there are only a few great and imperial cities which, having once declined to almost nothing, have risen from their ashes to greatness once again.

Delhi is such a city. It is today a city of about two millions, as it was two hundred and fifty years ago. It is once again a city of political renown. And Delhi's renaissance is just beginning.

I am excited when I read of the possibilities which lie before this city. I do not mean the possibilities of further great growth in population. Cities can grow much too big. I mean the proposals to preserve what is lovely and good in Delhi and to

destroy what is ugly and evil; proposals to create new beauties of river and canal, of footpath, forest and greenbelt; proposals to build more clinics and schools and to staff them with devoted nurses and doctors and teachers.

x x x

I must remember that though I am Canadian representative in Delhi, I am also Canadian representative in India. I must not become so enthusiastic about Delhi that I become parochial and forget India.

I have said that I would speak to you today about some of my impressions of India. There are so many impressions that crowd my mind when I look back today on my four and a half years here, that I am puzzled to know where to begin.

I have gone up and down the length and breadth of India by car, by train, by air and on foot. I have trudged through dusty fields and village lanes in the plains, and have walked along Himalayan footpaths. I have visited factories and schools and dams and community projects.

In the slums of Calcutta and in some villages, I have seen misery that is heartbreaking. In the plains and in the mountains, at ancient monuments and at holy shrines, I have seen beauty that is heartbreaking.

My wife has accompanied me on most of my travels in India. Our two sons and our daughter have also travelled widely in India. Our children travelled the hard way - third class by train and bus. Everywhere the five of us have gone - in Raj Bhavans and in the mud houses of peasants - we have been met with overwhelming kindness and hospitality.

Villagers have welcomed us into their houses, and have not minded our naive questions. Refugees from East Pakistan have shown us all through the spick-and-span settlement they have built for themselves on the outskirts of Calcutta. Workmen in a glass bangle factory got obvious pleasure out of making some especially intricate glass novelties for us.

When I think back on India, I shall remember many individual Indians I have met who are building the new India of their dreams with their sweat and tears.

I shall think of a young Muslim civil servant who is a devoted, overworked official in a community project, who travelled with us for five days, showing us his project, and I shall think of two senior officials of the city of Calcutta who spent one whole morning showing me the Calcutta slums - which must surely be among the worst in the world - and who said good-bye

to me with emotion because of the interest I had taken in what they were trying to do to remove this blot on civilization. I shall think of a saintly Hindu scientist who is devoting his talents to practical agricultural research because of the saying of Vivekananda, "You can't teach religion to people with empty stomachs." I shall think of an old farmer in the Punjab who showed me proudly the twenty acres which he and his sons had cleared and brought under cultivation.

These are some of the pictures which crowd my mind. I ask myself what sort of pattern they make. What shall I say when I go home and try to explain to the people of my country what India is like?

I think I shall start by saying that in one way it is like Canada in its size and its diversity. India, I shall say, is not a land like Western Europe where, if you travel for more than a day's journey by train you find yourself in another country. India, like Canada, is a spacious land in which you travel by train for three whole days in order to reach Trivandrum from Amritsar.

Here in India I shall say there is not only space, but kaleidoscopic diversity - diversity of landscapes and of peoples. The massive Himalayas, the fertile plain of the Ganges, the deserts, the table land of Maharashtra, the semi-tropical Travancore. The hillman, who looks first cousin to our Canadian Eskimo. The peoples of Rajasthan and of Assam, of the Punjab and of the Malabar Coast. Here is no dull uniformity. Here in one country is a large part of the family of mankind.

I shall say that India is not a nation state in the sense in which that term is used in the sub-continent of Western Europe. It is a nation which itself covers a whole sub-continent. It is in many ways more comparable to a group of states which share a common culture such as those of Western Europe, than it is to a relatively small, relatively homogeneous nation state such as France, Germany or Italy.

I had read before I came here of the revolution - largely peaceful - by which India secured its independence and integrated into itself the five hundred or so princely states. After I had been here a while, I realized that the important thing about India is not so much that you have had a revolution as that you are having a revolution. You have had your political revolution. You are at the beginning of your social and economic revolution against feudalism, social inequality, casteism, communalism, and those other evils Dr. Radhakrishnan recently listed, "the evils of poverty, hunger, illiteracy, ignorance, superstition and obscurantism!"

My experience is that the longer a westerner stays in India, the more conscious he becomes of the almost overpowering weight of the burden which India has undertaken to shoulder in

its efforts to crown its political revolution with an economic and social revolution.

It is partly the number of problems; it is partly the toughness of each individual problem, some of them rooted in traditions of millenia, not centuries. It is partly the number of people or things involved in the solution of an individual problem.

I am not thinking so much of the size of the whole population of India, though a figure of almost 400 million is staggering. I am thinking of what this total population means when translated into the terms of individual problems.

I remember, for example, how astounded I was when I first learned that there are about twelve million babies born every year in India, and that this means that the problem of providing adequate maternal care in India means providing adequate care to as many people as make up three-quarters of the whole population of Canada, which is about 16 million people.

When I found that there are in India about 80 million boys and girls of the ages of six to fourteen, I realized something of the size of the task of giving adequate schooling to all these children.

I know you want to improve the breed of your livestock, and that artificial insemination is one of the methods. But it must be a staggering number of artificial insemination centres which will be required to deal with your 160 million cattle alone, and I suppose you will also want to improve the breed of your 45 million water buffaloes, your 40 million sheep and your 50 million goats.

Your problems are so numerous, so intractable, so immense, so varied, covering so many fields - political, economic and social - that a people less courageous than the people of India would give up hope.

India in 1957 reminds me in some ways of Britain in 1940. In the summer of 1940, the cause of Britain appeared hopeless to almost everybody except the British. Britain refused to acknowledge the possibility of defeat, and Britain fought through to victory. It was courage that did it, and blood and sweat and tears.

I sense when I travel through India the same sort of courage which won Britain her victory. I have found it in talking to a supervisory engineer of a great dam, to a director of a community project, to a doctor in charge of a small hospital, to a school teacher in one of the new industrial towns. They know the strength of the enemies they are fighting - poverty, disease and ignorance, corruption and casteism. They know that the fight

against these enemies cannot be won in five years or in ten years. But they intend to go on fighting, and they are confident of ultimate victory.

My conviction is that, just because there are enough people like this in India, the odds against India are not so great as they seem. My conviction is that India can succeed because the hearts of the people of India are brave. And the kind of success India can achieve will not be merely material. "The secret of happiness is freedom, and the secret of freedom is a brave heart." Since India's heart is brave, it can crown its political freedom with economic and social freedom, and the freedoms it gains can bring happiness.

My conviction of India's ultimate success is bolstered every day I travel through India. I sense that things in India are moving - here fast, there slowly, there almost imperceptibly. But they are moving.

I have not been here long, but I have been here long enough to see the face of India changing. I have seen how what was jungle has become a modern industrial town, how land that was brown has become green, how valleys have become lakes, and above all, I have seen in some community projects the beginnings of a social and economic revolution in village life and in peasant agriculture.

X X X

The time has come for me to say, through you, my farewell to Delhi. There are many things I shall remember Delhi by.

I shall remember the colours in the sky which come with the dust storms in June. I shall remember calling on the Secretary-General in the External Affairs Ministry in the middle of one of the worst dust storms I have ever seen. I said to him, "It looks like the last day of judgment". He said, "How strange to describe the known by the unknown".

I shall remember the heat of June. Two years ago, two Canadian destroyers paid a good will visit to India. I travelled on one of them from Cochin to Bombay. One morning I was taken on a tour of the ship. The young officer who was showing me around tried to dissuade me from going down to the engine room. He said it would be too uncomfortably hot. I insisted. It was hot - very hot. I felt as if I was standing in front of an open furnace door. I pretended, however, not to mind, and I said to the officer, "What is the temperature?". He replied "118". Remembering my responsibility as a resident of Delhi, I commented coolly - "Oh, yes, I thought it must be about that. That's the temperature we get every day in Delhi in June."

But I shall not only remember Delhi by the dust and heat of June. I shall remember the perfect weather of winter; the lovely haze of early morning on the Red Fort, Jama Masjid and the Secretariat; the riot of colour in the Rashtrapati Bhavan gardens; the Republic Day Parade, which must surely be the most colourful national day parade in the world; the Beating of the Retreat in Great Place; walking in Chandni Chowk on election day; walks along the river bank from Humayun's Tomb to Okla.

There are two things I shall remember most vividly. The first are the visits I have made so often when the moon is full to Humayun's Tomb, Khab Minar and Tughlakabad. The second, the walks which I have taken so many mornings before I start work. Along Aurangzeb Road, down Janpath to York Place, and up York Road to Aurangzeb Road again. The children going to school, the bicycles, the bullock carts and, above all, the Rajasthan coolie women walking from their hovels to their hard work of building the new Delhi. Walking with magnificent carriage in their gaily coloured clothes, chattering, laughing, sometimes singing.

The Rajasthan coolie women of Delhi are to me a symbol, not only of Delhi, but of India. They come from the heart of India, its villages. They are those villagers whom Rabindranath Tagore described as "eternal tenants in an extortionate world, having nothing of their own". But they are not broken by their poverty or their hard work. They go from their hovels to their work in dignity and in gaiety. It is this dignity and gaiety that make them rich in spite of their poverty.

And it is the dignity and gaiety of the mass of the people of India which make India rich - not just the wisdom of its teachers and saints and scholars, and the beauty of its landscapes, its monuments and its shrines.

x x x

When I was home in Canada two years ago, I spoke about the voyage of discovery of India which I had been making for the previous two and a half years. I shall conclude this speech with some of the words I then spoke.

I said: "Today the mind and the spirit of India are cabined, cribbed, confined, by grinding poverty - poverty deeper and more pervasive than can be imagined by anyone who has not seen it with his own eyes."

I spoke of the interest of the whole world in the preservation of the culture of India and in its flowering. I said, "It is an ancient and a rich culture, a culture with a tolerant and a humane tradition. It has contributed to the

world great saints and philosophers, great poets and dramatists and artists and architects, two of the world's greatest emperors, two of the world's great religions. It is a culture which continues to produce great men."

I was putting the case for Canada giving economic assistance to India. I went on to say, "The culture of the whole world would be impoverished if India, the vessel of an ancient, lovely and living culture, were to dissolve into anarchy, or if to save itself from anarchy it were to adopt totalitarian rule and thus be false to its traditions of tolerance and humanity."

"On the other hand, the culture of the whole world will be enriched if India succeeds in its programme of economic and social development. For success in that programme will release tremendous latent energies in India, and those energies will produce not only things of the hand but things of the mind and the spirit."

x x x

In a short time I shall be saying a final farewell to India. My good-bye will mean "God be with you in the great work you have undertaken". My farewell will mean, "May you fare well in your high adventure of national development."

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No. 57/29

"SOUTH EAST ASIA AND THE COLOMBO PLAN"

Excerpts from a speech by Mr. Nik Cavell, Colombo Plan Administrator in Canada, to The Toronto Rotary Club, May 24, 1957.

...Since the dawn of civilization, man has fought hard and continuously to maintain his freedom. His enemies through the ages have been a horde of totalitarian dictators of many colours and creeds. The freedom we enjoy today has come to us through the medium of the broken bodies and minds of millions of incredibly brave men and women who have died in the torture chambers of these dictators. It has come to us through the dead and wounded of many wars, the latest being the two terrible World Wars we have been compelled to fight to defeat the domination of the latest would-be, world-dominating dictators. It comes to us through the tragic story of that magnificent, futile, recent fight of the people of Hungary using only their courage and their bare hands against the mighty tanks and guns of the world's latest form of the totalitarian dictator. This fight, gentlemen, and the freedom it has won for us is our greatest heritage.

I believe that human freedom is menaced today just as much as it has been through the ages but the menace today is more complicated, more difficult to comprehend and therefore less felt and realized than it has been in the past when the world was a less complicated place to live in.

The great question confronting us is: Are we going to be able to hand over to our children a world in which human freedom has been strengthened and in which it can continue to grow until all doubt of its ultimate survival has been wiped out? Or, are we, through inertia and lack of understanding, going to make it necessary for our children's children to pass through the hell of the dictator's torture chambers and endless wars to enable them to stay free as we are free today? The success of the free, democratic state rests in the end on the knowledge, understanding and common sense of its people.

One of the facts we must face is that we, the white race, are a minority on this earth. The majority is made up of Africans and Asians and although these people are not powerful today in international politics, they are on the march and the direction of that march is as much our concern as it is theirs.

The Colombo Plan concerns South and South-East Asia and so it is about that area that I want to talk. We cannot understand its condition today unless we glance at history over the last fifty years. The peoples of South East Asia entered that period almost entirely under the domination of Western powers. This is a fact which still colours their thinking and their political concepts. They were affected, as we were, by the rise of Germany as a military totalitarian state; they were affected by the revolution which brought Communist Russia into being; they were affected by that turbulent period between World Wars I and II, in which disintegration of the world pattern began to take place and which culminated in terrible World War II which defeated one set of totalitarians only to give more scope to another. Above all, we must consider the difference in the effect of that war on Europe and on Asia.

Europe came out of World War II devastated; her lovely cities in ruins, her factories largely destroyed, her trade at a standstill. But Europe still had men who knew how to operate factories; her labour force of trained technicians had been depleted but not destroyed. What Europe lacked was the capital to rebuild her factories and re-start her trade. That capital was supplied by the United States through the Marshall Plan. That plan saved Europe from utter chaos, restored her vigour and enterprise and prevented the Communist forces from taking over even more countries than they already had.

When one turns to Asia, one sees a very different picture. The Japanese had driven the Western colonial powers from many countries and they had occupied them... When at last the Japanese were defeated the countries they had occupied were in a state of economic and political chaos. Then some of the Colonial powers tried to take some of them over again. The people resisted and war again ravished them. When, after these struggles, peace finally came, many of these countries were so disorganized and weakened that they have not even yet been able to tackle the problems of hunger and the raising of the living standards of their poverty-stricken millions.

The old India was not occupied by Japan but the withdrawal of the British and the severe consequences of the partition out of which the Moslem state of Pakistan was born, burdened both these states with millions of refugees whom they have had to support from their slender income and try to rehabilitate and resettle. All this chaos in South-East Asia was particularly

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causing alarm within the Commonwealth where India, Pakistan and Ceylon - all members - were struggling alone with the problems of their newly independent states.

As we have seen, the United States was occupied in Europe and it was decided that the Commonwealth Foreign Ministers should hold a meeting in Colombo to review the desperate situation of the South-East Asian Commonwealth countries. Thus, in January 1950, the Colombo Plan was born.

The objective of the meeting was to review the broad economic aspects of the international situation with special regard to South and South-East Asia. It was pointed out that the area comprised at least 600 million people, which was one-quarter of the population of the world, and that those people had long felt the pressure of poverty and hunger. It was felt that the realization of self-government in the area made possible a new approach to that problem and that the new sovereign governments, through a vigorous development of all their resources, could obtain a fuller life for their people. The various governments of the area, and particularly India, Pakistan and Ceylon, had prepared development plans which formed a basis for action.

It was recognized from the outset that the funds which were required for the effective development of the area were considerably more than could come from the area itself or from Commonwealth countries only outside the area. Plans were drawn up for development over a six-year period from the middle of 1951. These plans were for capital development in the area and for a technical assistance scheme.

This Colombo meeting had considerable significance. It was the first time that all the Foreign Ministers of the Commonwealth had met in Asia, and it was the first time that India, Pakistan and Ceylon attended such a meeting on a basis of complete equality and with a background of absolute sovereignty and self determination.

The Colombo Plan, as envisaged, called for five billion dollars of capital over the six-year period of the Plan and at least three billion dollars of that had to come from outside the area.

The donor Commonwealth countries agreed to make capital contributions towards this three billion dollars. Over the six-year period, the UNITED KINGDOM agreed to assist by the release of blocked sterling balances held by the receiving countries; it is estimated that these releases will amount to roughly 42 million pounds a year. AUSTRALIA agreed to contribute at least seventy five million dollars over the six-year period. NEW ZEALAND said she would put up the equivalent of three and one-half million pounds over the first four years of the Plan, and has since continued to contribute. CANADA agreed to give twenty-five

million dollars each year, plus four hundred thousand dollars for technical assistance. This has since been increased: first to \$26,400,000, and last year and this to \$34,400,000. The operation of the Plan has now been extended to June 1961.

Now, let us see what the Colombo Plan has actually done so far. I would like to be able to go into detail today on what our Commonwealth partners - Great Britain, Australia and New Zealand - have done and also to touch on the interchange of technical assistance between the Asian countries themselves, but time does not allow me to do this and therefore I will confine myself to what Canada has done, or, in other words, what we have done with roughly \$165 million of the taxpayers' money which the Government has granted us.

The Canadian contribution to the Colombo Plan has been divided into Capital Projects and Technical Assistance. To deal with the latter first - Technical Assistance is perhaps the most vital need of the underdeveloped areas. Probably the first thing a Canadian child falls over when learning to walk is its mother's vacuum sweeper and then, throughout its childhood and its education, it becomes acquainted with automobiles, electrical appliances of all kinds, and through these contacts, our children acquire a surprising amount of technical knowledge and efficiency. They become part of the new mechanical age. By contrast, all the Asian child learns is how to twist a bullock's tail to obtain more speed out of him. The result is that technical development is seriously held up in these areas for the want of technical people of all kinds and before much can be done, this deficiency must be dealt with. Also, the Asian countries are very short of administrative staff, both in the field of business and government. It is for this reason that we have so far brought about 1,070 trainees to Canada for various courses. We try to get key people who can return to their various countries and teach others what they have learned. In addition, we send out Canadian experts in various fields of endeavour to set up training centres and to try to solve problems in the area itself, and some 130 of these experts have gone from Canada to work in many countries.

Now, let us consider the Capital Projects side of our work. On this side, we have tried to enter into projects which are of a fundamental nature. We must remember that we are dealing with very poor agricultural countries, with vast numbers of unemployed and under-employed people. The need is to diversify their economies, to provide employment and to process their agricultural output and to enable them to exploit their natural wealth. At the same time, we have tried to keep our contributions Canadian in character. There have been 69 such projects so far and others are in prospect. Needless to say, I can only describe very few of them today.

Canada is probably as experienced as any country on earth in power development. That is where development starts. Without power nothing much can be done, and so you will not be surprised to hear that power development projects have figured largely in our programme. Because the development of hydro-electric power involves the building of dams for the storage of the necessary water, this type of project serves two purposes: power is generated and irrigation is provided at the same time. Irrigation is a vital factor in the development of South-East Asia; it provides the means of a reasonable assurance of two, and sometimes three, crops a year against the uncertainty of even one when dependent entirely upon rainfall, which all too frequently fails. Such failures have given rise to terrible famines throughout Asian history and these famines have resulted in literally millions of deaths from starvation. Gradually, these conditions are being overcome and these countries are working towards the day when they will grow enough food to feed their people without the drain of finding foreign funds to purchase food abroad.

The aid field is by no means an easy one in which to work. What we have to try to do is to adapt advanced Western techniques to Asian conditions, which is not always easy for Western-trained engineers. For instance, during the four months' visit to South-East Asia from which I have just returned, I saw such things as our atomic reactor - perhaps the most modern piece of equipment one could build today - being erected by hundreds of women carrying cement up ramps in baskets on their heads -- a method of construction thousands of years old. But with a huge unemployed population, every chance must be taken to give employment.

The very fact that we are carrying out these projects some 3,000 miles away makes them difficult, but we are getting them done - the Mayurakshi Project in West Bengal is a good instance. This project will enable 400,000 tons of food to be grown by irrigation, will generate 4,000 kw. of electricity and be a major contribution to what was a very poor area made poorer by a particularly unruly river now under control. The electrical generating equipment which we supplied will be used to make electricity for a large range of cottage industries which will give employment to cultivators when they cannot get on the land. It will also make possible a large amount of agricultural pumping and the processing of much agricultural food. And so I could go on talking of other similar irrigation and electrical generation plants: UMTRU in Assam, KUNDAH in the Nilgiri Hills of South India, DIESEL SETS which will generate in small towns and large villages not now near a grid system. When these towns and villages are linked to a grid, these diesel sets can be passed along to other communities and thus serve as stop-gap power in many places where otherwise development would be seriously retarded.

I should like particularly to mention THE WARSAK PROJECT which will generate 160,000 kw. of power and will also do a considerable amount of irrigation. It is on the North West Frontier of Pakistan, very near the famous Khyber Pass. This has been a very difficult project, very largely because for centuries it has been a very difficult region. It is situated in the tribal area between Pakistan and Afghanistan, inhabited by the Afridis, the Pathans, and many other tribes made famous by Kipling and other writers. For centuries, this area has been a grave problem. Fundamentally, the difficulty is that the barren hills in which these people live do not yield them a living and therefore they have always been raiders, fighters and a people made hard, tough and independent by centuries of great hardship. Many years ago, I lived amongst these people as an administrator and like practically everyone who has had contact with them, I came to admire their qualities and to love them as men of character. The Government of Pakistan is understandably concerned about this frontier with Afghanistan. It is close to Russia and Pakistan has done all it could to bring greater stability into the lives of these tribesmen, particularly as attempts are being made to have them set up a new independent state, which they talk of as "Paktoonistan", which obviously would not be strong enough to stand alone and, therefore, could easily be brought under foreign dominance. What we are doing at Warsak, therefore, is to help the Government of Pakistan to reconstruct the lives of these frontier tribes on a sounder basis. The Warsak Dam Project will particularly help the Mohmand, Mullagori and Afridi Tribes - others will also benefit. The supply of power will help the industrial development of the area and give employment. Irrigation will cover 100,000 acres and increase food production by at least 60,000 tons a year. To help settle such a turbulent area, to bring some benefit to 4 million people is something dynamic for Canada to do and well worth the difficulties of carrying through this project.

Well, gentlemen, so much for the Canadian contribution of \$165 million, mostly spent on the training of Asian people by bringing them here or sending experts there; on the supply of electrical power, on irrigation and agricultural schemes; on communications, railway and road; on fishing and other projects, directly or indirectly connected with food production which is still the greatest necessity of most, if not of all, these backward countries. And last, but not least, on an ATOMIC REACTOR for India, which has a corps of brilliant young scientists under the great Indian scientists Dr. Bhabha who will develop power reactors for his country.

Now, let us see for a moment what other organizations of the free world are working in the aid field.

UNITED NATIONS

The ideal of aid to the underdeveloped areas was embodied in the United Nations Charter itself. Under the Economic and Social Council, the United Nations specialized agencies now working in South and South-East Asia are:

- (1) The International Labour Organization
- (2) The Food and Agriculture Organization
- (3) UNESCO (The U.N. Education, Scientific and Cultural Organization)
- (4) The World Health Organization
- (5) The International Civil Aviation Organization
- (6) Children's Emergency Fund
- (7) The Technical Assistance Organization.

UNITED STATES

Our great neighbour to the south has done much in the aid field through the medium of the MUTUAL SECURITY ACTS of 1951 and 1952 and the Agricultural Trade Development Assistance Act, operated in the past by the Point Four Programme and then by the Foreign Operations Administration, more commonly known as FOA, and now under the International Cooperation Administration.

The United States has poured millions of dollars into the South East Asian area for aid alone, leaving aside other millions for defence. It operates under a series of agreements with the various governments of the area and these agreements cover a vast field of endeavour aimed at giving these people the knowledge and technical processes which have served to make the standard of living on the North American Continent so high, and thus make it possible for these underdeveloped countries to start to raise their own standards. The United States is now a full-fledged member of the Colombo Plan and therefore its operations form a part of the whole Colombo programme.

THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT:

The International Bank has made loans of many millions of dollars which have made major development projects in South-East Asia possible. It has sent many highly qualified people on missions to the area to help local governments and officials in working out programmes. The Bank's reports and published documents are of inestimable value, not only to those countries concerned, but to all of us who work in the difficult field of aid to underdeveloped areas. I wish I had time today to give you some idea

of the extent of the Bank's loans and the work it has done in a very business-like and extremely helpful way.

That, I think, gentlemen, about sums up the aid to underdeveloped countries in South and South-East Asia being given by the major aid agencies of the West. But we must also mention the work being done by agencies such as the Ford Foundation; by universities, particularly some in the United States which have undertaken to aid some particularly poor ones in South-East Asia and have taken them under their wing; then there are the Rockefeller and Carnegie Foundations also doing their bit.

Confucius once said; "An empty stomach does not dwell on high principles", and the first task facing the Governments of South-East Asia is to feed, house and clothe their poor people. As civilized and compassionate human beings, we can only be appalled at the poverty, economic uncertainty and disease from which so many of them suffer today. Through plans such as the Community Projects Scheme in which the better-educated young people go out into villages to teach peasants better ways of living and farming, they are waking up their people to the attainment of better living. We cannot rehabilitate these people; we can only give assistance to their governments in doing the job.

Two great experiments are going on; in China, roughly 600 million people are trying to raise their living standard by following the ways of Russia; in India, roughly 400 million people are trying to do the same by parliamentary democracy. The whole of Asia is watching these two countries to see which will do the most for its people in the shortest time. We dare not let democracy fail. We cannot build a strong free world unless we can make it habitable for the millions of Asia who have not yet made a final choice.

I shall close this talk, as I have many others, by letting one of the greatest philosophers of our time say it all so much better than I can possibly do - Alfred North Whitehead in one of his many profound books said this:

"Every age has its character determined by the way its populations react to the material events they encounter. This reaction is determined by their basic beliefs, by their hopes, their fears, their judgments of what is worth while.

They may rise to the greatness of an opportunity, seizing its drama, perfecting its art, exploiting its adventure, mastering intellectually and physically, the network of relations that constitute its being. On the other hand, they may collapse before the perplexities confronting them. How they act depends upon their courage and their intellectual grasp."

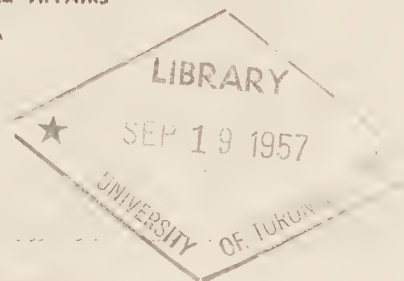
That, I think, beautifully sums up our problem. Have we the intellectual grasp necessary to understand our world and if we have, have we the courage and the fortitude necessary to bring into being all that will be necessary to keep it free?

S/C

STATEMENTS AND SPEECHES

CANADA

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA



No. 57/30

"GREAT ISSUES IN THE ANGLO-CANADIAN-AMERICAN COMMUNITY"

An address by the Prime Minister of Canada, Mr. John G. Diefenbaker, M.P., at Dartmouth College, Hanover, New Hampshire, U.S.A., September 7, 1957.

This being the first occasion as Prime Minister that I have had to address an audience in the United States, I avail myself of the opportunity to discuss some phases of the relationship of Canada and the United States. I do so here, for the glory of Dartmouth College for almost two hundred years has been its tolerance and its pursuit of truth. Great issues have been debated in the history of this historic college which made the name of Daniel Webster a name to conjure with in the English-speaking world, and wherever else in the world freedom still lives.

A few weeks ago I was in London at the meeting of the Commonwealth Prime Ministers and discussed with other members of the Commonwealth mutual problems which might be called "family problems". Here I shall discuss "neighbourly problems".

There will be full agreement among those present that the Anglo-Canadian-American Community constitutes a grand alliance for freedom, in partnership with others of the NATO family, in the defence of democracy against the Red Menace. This alliance has as its "built-in" stabilizers for unity a common tradition, a respect for the rights of man, an unswerving dedication to freedom. I believe with you that the maintenance of that unity is the only certain hope for the survival of freedom everywhere in the world.

Canada and the United States have grown up in separate ways. My country achieved its freedom and independence by evolution, not revolution -- by its adherence to a limited monarchy within the Commonwealth of Nations, rather than through the establishment of a Republic. The Commonwealth knows no written constitution or agreement - it is bound together by the aspirations of peoples in all parts of the globe who, while independent, are united in their dedication to freedom under the Queen as the symbol of their unity. Canada's status as an independent member of the Commonwealth and a constitutional monarchy will be emphasized when Her Majesty Queen Elizabeth II opens Canada's Parliament on October 14 as the Queen of Canada.

Canada and the United States, as long ago as 1794 in a "Treaty of Amity, Commerce and Navigation", undertook "to promote a disposition favourable to friendship and goodwill". While this undertaking has not at all times since been maintained, it is, and has been, of the essence of our relationship.

Partners in Defence

We are partners in defence -- and we realize that the security of this continent cannot be assured without the closest co-operation between our two countries. To that end one of the first acts of the new Canadian Government when it came into power this summer was to agree to the joint operational control of the air defence forces of Canada and the United States. This system embraces not only our two air forces, but the several radar warning lines which have been built by us jointly across this continent, and mainly through Canada. In so doing Canada does not in any way sacrifice her sovereignty over, or ownership of, these

We have learned to trust one another. Neither has received aid from the other without payment. No hereditary animosities or ancestral fears remain to divide us. In Canada we know that if the United States since the last war had not assumed world leadership, the free world might not have survived. But we cannot take our relationship for granted. The former Secretary of State for External Affairs (Mr. L.B. Pearson) expressed the same sentiment a few years ago when he said "the era of easy and automatic good relations between Canada and the United States is over". That does not mean that an era of difficult or bad relations is beginning. It emphasizes the need for care being taken in attending to our relations and viewing each other's problems with common sense, frankness, absolute confidence and mutual trust.

The whole measure of warm friendship which has long existed between the United States and Canada, and the parallel interest of the two countries, enables us to speak to each other with a measure of forthrightness which is permitted to very few countries in the world. The candour with which we can communicate with each other strengthens our understanding of each other, and helps us to avoid the pitfalls of misunderstanding which have bedevilled relations of so many other countries in the world.

Economic Problems

May I now with the utmost frankness and goodwill, and in the interests of fullest understanding, deal with one or two economic matters that are causing unrest within my country. By doing so I emphasize that the Government of Canada has as its duty and responsibility to consider Canadian interests first. It is not now and will not be, anti-American. The Secretary of State of the United States, the Honourable John Foster Dulles, in evidence recently given before a Congressional Committee, said: "the purpose of the State Department... is to look out for the interests of the United States." The responsibility of the Canadian Government in like measure is to consider Canadian interests first. This should not be misinterpreted as being anti-American.

Canada is numbered among the great trading countries of the world. While we are desirous of doing business with all nations, our trading world has become increasingly confined to the United States, which takes sixty per cent of our exports and provides seventy-three per cent of our imports. A recent survey in the United States showed in graphic form that almost every American community of any size is selling something to Canada. It shows that Brooklyn sells more to Canada than Argentina does, that Louisville sells more to Canada than New Zealand does, that Chicago sells almost as much to Canada as does West Germany, and that Seattle

sells almost as much to Canada as does Norway. Even in agricultural products, Canada buys a larger volume of American agricultural products, by some \$100,000,000, than Canada sells to the United States.

The value of United States exports to Canada is almost as much as that of its total sales to all Latin American countries. Canada is the United States' greatest customer and the United States is Canada's greatest customer. What you are buying from us is largely raw materials or semi or partially-manufactured materials, for the United States tariff system prohibits any major import of manufactured goods.

This concentration of trade in one channel contains inherent dangers for Canada. It makes the Canadian economy altogether too vulnerable to sudden changes in trading policy at Washington. Canadians do not wish to have their economic, any more than their political, affairs determined outside Canada.

Canada has always purchased more from the United States than the United States has purchased from Canada. This imbalance is now running to record proportions. In our commodity trade last year, Canada purchased from the United States goods to a value of \$1,298 millions more than the United States purchased from Canada. Thus far in 1957, the imbalance has increased, and if the present trend continues, 1957 will establish a new all-time record in imbalance in trade between the two countries.

Our trade with the United States is equivalent to 25 per cent of Canada's gross national product. On the other hand, it is the equivalent of less than 2 per cent of the gross national product of the United States. It is perhaps only natural, therefore, that Canadian-American trade should not make the same claim on the attention and consideration of the United States as it does on Canada.

A pressing concern in Canada is the question of the United States agricultural disposal programme, and in particular that of wheat and wheat flour, which has been more vigorous and more aggressive in the last two years, and which denies fair competition for markets. Canada's carry-over of wheat amounted to more than 700 million bushels this year. It is vital to Canada's economy that some 300 million bushels of wheat be exported every year.

Canada can compete for her share of the markets of the world, providing other nations follow recognized competitive practices. The share of the world market for wheat by the United States has been increasing in recent years by its policies of surplus disposal, and that increase has come about mainly at the expense of Canada's export trade, which has been decreasing. The surplus disposal legislation of the United States has made it difficult, if not impossible, for Canada to maintain its fair share of the world's market. Canada cannot compete for agricultural markets against the dominant economic power of the United States, with its export subsidies, barter deals and sales for foreign currency.

The free world faces not only the military, but the economic aggression of the U.S.S.R. Military alliances and joint co-ordination for defence are not enough. There must be economic co-operation, which in turn demands recognition by larger nations of the effect of their economic policies on smaller nations. Freedom cannot afford to allow any of the free nations to be weakened economically.

We are co-operating in defence measures -- why not to a greater degree in economic matters? The joint United States-Canadian Cabinet Committee on Trade and Economic Questions will meet in Washington in early October, and Canadians hope that this matter can be resolved by mutual agreement which will provide for a fair and reasonable solution of the problem of the disposal of wheat and other agricultural surpluses.

One other matter deserves comment in the interests of clarification. Capital from the United States has played an important role in the development of Canadian resources. We welcome this investment and intend to continue to provide the best foreign investment climate in the world. The heavy influx of American investment has resulted in some 60 per cent of our main manufacturing industries, and a larger proportion of our mine and oil production, being owned and controlled by United States interests. In that investment what Canadians ask is that full account be taken of the interest of Canadians in the policies that are followed in the direction and use of that capital.

There would be no potential harm in external ownership as long as companies engaged in these industries are developed in Canada's interests, and their policies take account in their direction of the interests of Canadians.

There is an intangible sense of disquiet in Canada over the political implications of large-scale and continuing external ownership and control of Canadian industries. The question is being asked: "can a country have a meaningful independent existence in a situation where non-residents own an important part of that country's basic resources and industry, and are, therefore, in a position to make important decisions affecting the operation and development of the country's economy?" Canadians ask that American companies investing in Canada should not regard Canada as an extension of the American market; that they should be incorporated as Canadian companies making available equity stock to Canadians. That there is cause for questioning seems clear when I tell you that it is estimated that of American-controlled firms operating in Canada not more than one in four offers stock to Canadians.

There are other problems but time denies reference to them. What I have said is not spoken in a spirit of truculence or of petition. My purpose is to have removed causes for disagreement which, unsolved, may diminish the spirit of understanding which is characteristic of our relationship. We in Canada and the United States are such close neighbours and have so much in common that it is hard to realize that we are bound to have some differences. We are united in the great cause of freedom and democracy. In our military alliance there is the closest co-operation between us. In the fundamental things of life we have no differences. Our comradeship knows no closer alliance in the world. Let it not be said that we cannot achieve a similar spirit of co-operation in economic affairs.

Joint Heritage of Freedom

The message I am trying to convey is epitomized by the words used by President Eisenhower in the Canadian House of Commons on November 14, 1953:

"More than friendship and partnership is signified in the relations between our countries. These relations that today enrich our people justify the faith of our fathers that men, given self-government, can dwell at peace among themselves, progressive in the development of their material wealth, quick to join in the defence of their spiritual community, ready to arbitrate differences that may arise to divide them.

"Beyond the shadow of the atomic cloud, the horizon is bright with promise. No shadow can halt our advance together. For we, of Canada and the United States, shall use carefully and wisely the God-given graces of faith and reason as we march toward it - toward the horizon of a world where each man, each family, each nation lives at peace in a climate of freedom."

Our two countries, with Great Britain, have a joint heritage of freedom. We are united in our determination to preserve our heritage of spiritual values that are dearer than life itself. To preserve that steadfast and undiminished unity that saved us in war, our governments, our peoples, must give due regard at all times to the problems of each other with infinite respect, tolerance and consideration.

In the days ahead many grave decisions will face our peoples. In the last analysis, how Canadians and Americans and Britishers get along is a world test of "neighbourhood" in international relations.

In concord with the other free nations, the solidarity of Anglo-Canadian-American friendship is vital to the peace and well-being of the world and will provide the key to whether we succeed or fail in our great quest to maintain freedom for this and future generations.

S/C

STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 57/31

STATEMENT ON HUNGARY

A Canadian statement on Hungary made by Dr. R.A. MacKay, Canada's Permanent Representative to the United Nations, in the General Assembly at New York on September 12, 1957.

The Canadian Delegation is one of the co-sponsors of the draft resolution now before this resumed session of the 11th General Assembly. I wish to set out briefly why we are supporting this resolution, and what we hope can be achieved.

The United Nations has already considered repeatedly and at length the events which took place in Hungary last year. Time and again the United Nations has called upon the Government of the U.S.S.R. to cease its intervention in the internal affairs of Hungary and to permit the Hungarian people to select their own government in their own way, and to determine their own institutions. At an early stage action taken by the United Nations was in response to an urgent appeal from the legitimate government of Hungary. As we all know that government was stifled by armed intervention of the Soviet Union and a regime answerable only to the U.S.S.R. was installed. The General Assembly also took action at its second emergency session and its 11th regular session to organize relief for the victims of the violent events in Hungary and to provide homes for Hungarian refugees; More than 35,000 have found a new home in Canada.

To our great regret, the Soviet authorities, as well as the new Hungarian government which they installed by their intervention in Hungary, have flouted the opinion of the world community expressed in various resolutions adopted by large majorities in the General Assembly of the United Nations. The U.S.S.R., and its puppet Hungarian government, have chosen instead to shield themselves behind the myth that the violence in Hungary resulted from some kind of intervention from the Western side. This explanation made last autumn, and repeated again ad nauseam in this present session, is, I submit, an insult to the intelligence of this Assembly.

Our hope last autumn was that the U.S.S.R. would heed an indignant world and would reconcile itself at least to important adjustments in the direction of national autonomy and recognition of genuine sovereignty for the Hungarian state. Unfortunately, the U.S.S.R. lost the opportunity last autumn to put this problem on the way to a moderate and constructive solution. We have no evidence that since then it has taken any real steps in this direction.

Since no response was forthcoming to the United Nations efforts to meet the emergency situation of last year, this Assembly established the Special Committee whose report is now before us. The main facts of a spontaneous national movement towards independence in Hungary and the suppression of this movement by Soviet armed force were already painfully clear to everyone. The Special Committee has now documented these basic facts in its highly detailed account of the day by day, and even hour by hour, events in Budapest last October and November (Canada made a modest contribution to the information in the report by facilitating the receipt of evidence by the Committee from some of the large number of Hungarian refugees now in Canada.) I wish to take this opportunity to express my delegation's thanks to all the members of the Committee, --to the Hon. Mr. Anderson of Denmark, who was its Chairman; to Ambassador Shann of Australia, its rapporteur; to Ambassador Gunewardene of Ceylon; to Ambassador Slim of Tunisia; and to Ambassador Fabregat of Uruguay. The significant fact is that this Committee, so widely representative of various groupings within the United Nations, has submitted a completely unanimous report.

The Committee's report is a sober and factual account of what happened in Hungary during those tragic days last year. Its conclusions flow simply and directly from the mass of facts obtained from a great number of witnesses. No one can honestly and seriously challenge the truth of the terrible story which the Special Committee has put before the world. The common people of Hungary--students, workers, ordinary soldiers--took action, at first by completely peaceful demonstrations, to demand internal reforms and freedom from foreign domination. The Soviet-dominated security police began the violence by firing on a peaceful assembly of the common people of Hungary. In response to this a whole people rose up, in what has been called a miracle of unity, to sweep away a corrupt and foreign-dominated regime. For a few brief days Hungary had a government responsive to the will of the people of Hungary. In those days the new Hungarian government began successfully to restore order and to revive freedom in Hungary.

But from the very beginning of these events the ominous shadow of the Red Army was cast over Hungary. Soviet troops and tanks moved across the frontier in even greater numbers. In spite of a Soviet pretense of willingness to negotiate with Premier Nagy for the withdrawal of all Soviet forces, at about midnight on November 3, we read in the report, General Serov, Head of Soviet security forces, arrested the Hungarian negotiators, and Soviet tanks moved forward into the streets of Budapest. What followed was a ruthless and brutal attack on the people of Hungary. A great power, the U.S.S.R., sent its armed forces to crush and destroy a popular movement for freedom in a small neighbouring country. On the basis of this terrible intervention a new régime was installed in Budapest. The Hungarian nation has been reduced to the status of a colony of the U.S.S.R..

The draft resolution, of which Canada is a co-sponsor, and which I am certain will be approved by a very large majority, is not a negative, destructive or propagandist document. It is a realistic document.. It indicates clearly the essential responsibility of the U.S.S.R. for what has happened and is happening in this part of Eastern Europe. It does not envisage any action which is not in accord with the legitimate national interests of the U.S.S.R.

The sponsors have not sought in this resolution to do anything to intensify discord between rival power groups. But the Assembly cannot fail to condemn continued refusal to comply with its resolutions, nor can it fail to condemn the flagrant and cruel disregard of human rights which members of the United Nations pledge themselves to uphold. We endorse the conclusions in the Committee's report. In proposing that a special representative of the General Assembly should be nominated to take such steps as he deems appropriate to achieve the objectives of the United Nations we are seeking to emphasize a constructive and forward looking approach to this difficult question. We can think of no one more suitable to carry this responsibility than the distinguished president of this Assembly.

The Soviet Union is one of the great powers of the world. It has a special position in the United Nations as one of the permanent members of the Security Council which I suggest entails special responsibilities. In advancing and supporting this resolution, it is our hope that it will help to induce the U.S.S.R., one of the most important members of our organization, to take steps to permit a moderate and reasonable adjustment of the situation in Hungary, so that the legitimate aspirations of the Hungarian people for independence and sovereignty may be met. Justice for Hungary must be a continuing concern of the United Nations.



CANADA

STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 57/32

REVOLUTION IN THE ARCTIC

Talk by R.A.J. Phillips, Chief of the Arctic Division, Department of Northern Affairs, for CBC Special Speaker Programme, September 8, 1957.

There is no word in the Eskimo language for "economics". This is just one reason why it's difficult for any of the 11,000 of Canada's Eskimos to understand the strange new forces now surrounding them. But Eskimos don't think in the abstract. Their world is everywhere concrete and immediate. There is food or there is no food. In adversity and success they tend to take things as they come. And this is just as well, for they are at the center of the Revolution in the Arctic.

The absorption of our Arctic frontier is more compressed in time, more expanded in space than any such national process that Canada has known. In our past, the excitement of change was centered in the border lands. Young Canadians of the future may be surprised to learn that the CBC was not on hand when Jacques Cartier landed on our shores. In the mid-twentieth century it was, and so were writers, film crews, administrators, scientists, business men and a modest tourist traffic. A century ago a trader-explorer might, on returning from his voyages, announce the discovery of rivers as long as the Ottawa, of islands as big as Great Britain, and the purchase of 5,000 bales of fur. To-day the Arctic trader may listen by radio to fur quotations on the Montreal market, and receive authority to change the partitions in his warehouse.

In a sense, this marks the end of the frontier, but in a much more important sense it marks the sharing of the frontier by the few who live in it with the many of us outside.

There are many things we southerners are beginning to learn about the northern third of Canada -- the endless wealth, and what it may mean to us and to a world crying for minerals; the problems of transportation; the

difficulties of knitting together one of the most sparsely settled regions on earth; the responsibilities we have to a northern people who now look to us to guide the forces which they cannot comprehend.

To one of these people, let me give the name of Paul Tookaluk. Two years ago Paul lived in the western Arctic, in igloos in winter, in a canvas tent in summer. He caught seal and caribou, and trapped the white fox. From these skins and their family allowance, his total cash income might average about \$600 a year, with which he would buy ammunition, flour, tea, some other store foods, some materials to supplement his family's skin clothing. His existence was marginal.

This had been the pattern for a long time, but not for always. Once there had been no trader, and so all food and clothing and housing had to come from the land. Perhaps game was more plentiful in those days before the rifle, but it was harder to come by, and if the hunter failed there was no family allowance, no relief, and no outside knowledge of his plight. There was starvation.

In recent years, there had been no starvation, there had been little luxuries his ancestors never knew, but Paul Tookaluk sensed that things were not good in the land. The white fox no longer brought the price it once did, and he could not grasp the laws of supply and demand in the clothing industry of Montreal or New York. The caribou were disappearing and he didn't know why. Government relief was welcome to a hungry family, but he could not be expected to weigh the social consequences of dependence on handouts.

Then, two years ago, Paul went to work at a site on the Distant Early Warning Line. The revolution in his life had started. He was strange to the idea of a job -- first of all to the idea of time, to starting and stopping work by a clock, to staying in one place. He lived in permanent buildings, ate store food, and dressed entirely in white man's clothes. There was a fascination in the new machinery. He learned quickly, he was accepted. And he found he had money, two or three thousand dollars a year, plus his food and fuel.

This was more than money, it was an added status, an independence the Eskimo had not known since the first white men began to run his life generations before. The new mid-twentieth century Eskimo was lucky, but his children would be luckier still. They had schools where they could learn to read, write, and discover new worlds in books denied to every older Eskimo. Paul's sons might grow up to be hunters; and this would please him, but they might also walk in his footsteps, going much farther than he could go. For the first time Eskimos would have a choice in their future, a simple and compelling freedom almost wholly unknown until now in Canada's Arctic.

This spring, Paul Tookaluk faced yet another cataclysm in his private world. He was offered the chance to go "outside" with other Eskimos to study vehicle mechanics and basic English. But he learned far more than these. He lived in the white men's homes and was accepted in his community. He learned something of the rest of Canada and began to realize that his homeland too stretched from sea unto sea.

This was a time of immense personal excitement. Airplanes had long been common place to him, but as he was driven from Edmonton Airport to the school at Leduc he exclaimed in wonder "It is wonderful, you know this is the first time I see a car". And as they drove on in this voyage of discovery, he banged the window and shouted "Look, look, trees, you know I have not seen a tree".

And Paul stared in delight at the row of telegraph poles along the prairie road.

The adjustments are amusing, exciting: they are also tough. These people need constant guidance, but even more they need encouragement to take their lives into their own hands. The formation of their own Eskimo Councils has been one of the landmarks of their development.

Although the whole Arctic is in the grip of change, only about one-tenth of the Eskimo population has so far made the complete transition to wage employment. More will do so as more jobs are created. The mines will soon eclipse defence projects as employers of Eskimos. For the Eskimos not taking jobs there are other outlets -- cottage industries, handicrafts, seal skin tanning, the collection of eiderdown, boat building, and, of course, there are remarkable stone carvings which now bring them an income of nearly \$100,000 a year.

For many years, the majority of Eskimos will still live off the land, though not as their fathers did. With fewer hunters, better equipped, the search for depleted game will be eased. Wildlife surveys by air are an immediate help; conservation measures and population shifts are long term solutions already begun.

Industrial birth on the grand scale, changes in individual lives -- there are just two aspects of the Canadian Arctic in revolution. Bits of the story are scattered in every part of Canada. In an office where town planners give a sense of order, economy and satisfaction to the new communities of the north. In a Bay St. board room where decisions are being made to bring fruitful life to the empty barrens. In an Ottawa office where social workers, teachers and administrators spend long evening hours debating the consequences of a new approach to Eskimo training. In a Canadian Embassy abroad where material is sought to find lessons from other lands in which primitive and modern societies have met. In a kitchen

late at night where a Civil Servant's wife watches patiently as her husband plays a hunch in mixing Arctic moss and paste to form a new approach to housing Eskimos in comfort and economy. In a southern hospital where the cloudy lines of X-ray films are painting the picture of gradual success in the fight on northern disease. In a large city hotel where men and women gather to discuss the national revolution centered in their north. In an Arctic hut where Eskimos gather to discuss their problems and thus set in action reserves of human resources almost untouched while the nation looked east and west and south -- anywhere but north.

At the center of the revolution are the Paul Tookaluks grasping for something new and strange and better. We know that what they seek is a higher material standard of life, wider opportunities for their children, a new human dignity -- in short, the benefits and responsibilities of Canadian citizenship.

It may take a generation or two for our Eskimo citizens not only to achieve their goals, but to understand them. When they do, the revolution will be complete and all of us will be the richer.

S/A



STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 57/33

CANADA AND THE UNITED NATIONS

(Statement by Prime Minister John G. Diefenbaker in the General Assembly of the United Nations, New York, on September 23, 1957).

Mr. President, may I, not in a perfunctory manner, congratulate you on behalf of the Canadian Delegation on your election, and offer you our best wishes. Having known you throughout the years, I realize that the General Assembly's action was an expression of its faith in you as a man uniquely qualified for this high office by reason of your long and devoted service to the United Nations. At the same time, may I also pay the tribute of Canada to your predecessor, Prince Wan Waithayakon, who presided over a session of great length and stress with wisdom and skill.

In the last few months there has been a change of government in our country, but I hasten to assure the Assembly at once that, as in all democratic countries dedicated to peace, this does not mean that there has been any change whatsoever in fundamental international principles or attitudes. I say that because I have been asked on a number of occasions where Canada now stands with regard to the United Nations. My appearance here gives public evidence of Canada's stand. Indeed, it is the first time in twelve years that a Prime Minister has been present with our Foreign Minister, which is evidence of the fact that we stand on this question now where Canada has always stood since April 1945, and, I emphasize this, with the support of the party which is now in power. So far as Canada is concerned, support of the United Nations is the cornerstone of its foreign policy. We believe that the United Nations will grow stronger because it represents the inevitable struggle of countries to find order in their relationships and the deep longing of mankind to strive for and attain peace and justice.

We believe, too, that countries like Canada, acting in consultation with other friendly nations, can exert an influence far stronger than would be possible outside the United Nations. Indeed, our views of the value of this organization

are epitomized by the Secretary-General in the introduction to his annual report for 1956-57, in which he stated: "If properly used, the United Nations can serve the diplomacy of reconciliation better than other instruments available to the member states. All the varied interests and aspirations of the world meet in its precincts upon the common ground of the Charter."

The Commonwealth

Canadians have a special pleasure, too, in welcoming Malaya, the newest member of the Commonwealth, as a member of the United Nations. Last year another member of the Commonwealth, Ghana, was elected to membership. We believe that the emergency of these new nations is an indication of growth and expansion of the concept of self-government and of the manner in which nations, one after another, attain independence but still remain members of that association of free nation which is known as the Commonwealth, which represents many different areas, colours and cultures, which has no rules or regulations and no constitution, which is a unity forged by the sharing of a heritage of common ideals and a love of freedom under law.

Over the last years, hundreds of millions of people in Asia and Africa have achieved independence and sovereignty, for which the credit must go to the statesmen of the United Kingdom. It is incredible that the British should be described here on occasion as "imperial and colonial masters", in view of this far-seeing policy which grants self-government so widely, and I am confident that our friends from Ghana and Malaya would be glad to invite comparison with what has happened to Hungary and to many other freedom-loving nations which have been subjugated by the U.S.S.R. in the past four decades.

Relations with United States

But our membership in the Commonwealth, while fundamental to our destiny, does not detract in any way from the closeness and neighbourliness of our relationships with the United States. We are joined with our neighbours in the United States by what I have called before our "built-in stabilizers" for unity, our traditional respect for the rights of man and our unswerving dedication to freedom. I think it is clearly established and is irrefutable that, if the United States was aggressive and sought territorial advantage and fomented war, as its enemies contend, Canada would not have maintained its existence as an independent nation.

North Atlantic Treaty Organization

Then there is another phase of our policy - Canada's membership in the North Atlantic Treaty Organization, which in our opinion constitutes a major bulwark against the forces of aggression and to which Canada will adhere regardless of threats from whatever source they may emanate.

If the notes delivered by the U.S.S.R. since July 4 to our friends in the Federal Republic of Germany, Turkey, the United Kingdom, France and Norway are indicative of any new trend in Soviet policy, then in our opinion there is more need today than ever before for the maintenance of the unity of NATO.. The repetition of spurious propaganda by the U.S.S.R. that the existence of NATO is a threat to world peace and that the existence of NATO is the reason why permanent peace has not been established is a travesty of reason. Canada wants peace, and if NATO had aggressive designs anywhere in the world, Canada would not remain a member of that organization. Believing as we do, we intend to continue to support it with all the power at our command.

Disarmament

Now I intend to say a few words with regard to the question of Disarmament, because it is a matter of first importance to this Assembly. After nine years of stalemate after San Francisco, in 1954 Canada joined in co-sponsoring resolutions to get resolutions on disarmament before the Disarmament Commission of the United Nations. If that was necessary then, it is more necessary today, when the total amount being expended for war materials for defence, mobilization and manpower totals some \$85 billion per year.

What mankind fears today more than anything else is that war will come about suddenly and precipitately, without warning and without there being any opportunity for defence. The whole question of surprise attack is of pre-eminent importance to people everywhere in the world. Until the Second World War took place, a surprise attack was almost impossible. No nation could conceal the mobilization of its forces, but today, when a nuclear attack could be mounted in a few hours and secrecy maintained until the atomic bombers appeared on the radar screens, the danger of a secret and surprise attack is one of the things that all mankind fears. And the danger of a secret and surprise attack has been multiplied with the potential development of the intercontinental ballistic missile.

The fear of surprise attack is the cause of the major tension of these days. For that reason there is a sombre urgency about the work of this General Assembly. Experience has taught us that no country ever possesses a monopoly of any device. What one country has today, the

other nations will have tomorrow, and the day is not far distant, if this continues, when there will be armouries of these rockets. While a few years ago a new era was introduced by the development of nuclear weapons, today an even more frightening and awful time faces mankind. That is why I say that it is a matter of sombre urgency that this Assembly should act, and act effectively, if we are to bring about the control of the use of this dread menace, the ultimate engine of destruction.

While it is only the great powers that can afford the vast expense to build these earth-spanning missiles, small nations are concerned. Canada is vitally concerned, for we are the closest neighbour of the United States and the U.S.S.R. Our strategic position in the world, embracing as it does the Arctic area in which Canada owns and exercises sovereignty over great areas, makes Canada one of the most vulnerable nations in any future war.

I do not intend today to deal in any detail with the terms of the disarmament proposals that were put before the Sub-Committee of the Disarmament Commission by the four Western powers, but I feel it well to refer for but a moment to the question of suspension of tests of nuclear and atomic weapons.

The suspension as provided for in the Western proposals would be for a year, conditional on a convention on disarmament being entered into, and this would be renewable for a second year if satisfactory progress had been made towards a cessation of the production of nuclear weapons. But there are well-intentioned people -- many people -- who believe that a ban on atomic tests is a panacea for all the ills of mankind. In all the clamour there has been over this, some have lost sight of the fact that the suspension of tests is not going to stop the stockpiling of nuclear weapons or the atomic armaments race. The only way to do this is to divert fissionable material from the manufacture of weapons to peaceful uses, and the Western proposals very sensibly linked an agreement to do this with a continuation of the suspension of the tests.

While treating the suspension of nuclear tests as a matter for immediate action, the 11-point Western proposals made such suspension dependent on the establishment of nuclear watching posts in the territories agreed on of the United States, the United Kingdom, the U.S.S.R. and other countries. It must be admitted too that the need for inspection is not fully understood by many well-meaning people, largely because of a popular view that atomic or hydrogen explosions can be detected anywhere in the world. According to the scientific opinions that I have had, that is not so.

As far as we are concerned in North America, the danger of surprise attack on or from North America would be through the Arctic regions. Canada and the United States have no aggressive designs against the U.S.S.R. or any other nation. We have nothing to fear from inspection of the Arctic regions, and I speak now for Canada when I say that. We unequivocally render and will continue to render available for inspection all our northern and Arctic areas.

In addition to inspection, the other Western proposals also included in the first stage a limitation on the size of armed forces; a ban on the use of nuclear weapons except in the case of defence; and "international supervision" to ensure that the production of fissionable materials should be for peaceful uses only.

We believe that these proposals are eminently fair and workable, but for some reason the U.S.S.R. has cavalierly and contemptuously refused to consider them seriously. Surely they must realize that in the climate of distrust and fear which exists paper declarations, however pious their purpose, are not acceptable and that a prerequisite to disarmament must be an adequate system of inspection and control. The promise to disarm and to control the use and production of nuclear weapons without effective inspection to ensure that the promise is kept makes a caricature of reality.

We believe that disarmament unsupervised by inspection will be dangerous to those nations which have the habit of keeping their pledged word.

Believing that inspection is the essence, I issued at the time of submission of the Western proposals a statement including the following:

"... The Canadian Government has agreed, if the U.S.S.R. will reciprocate, to the inclusion of either the whole or a part of Canada in an equitable system of aerial inspection and will do its utmost to ensure that the system works effectively. We consider that a useful start in providing safeguards against surprise attack could be made in the Arctic areas".

On the other hand, the U.S.S.R. has produced a multitude of propaganda plans for disarmament but always on its terms and always on the basis that effective inspection is out of the question. It generates hope in mankind; it refuses on its part, though, to co-operate in any way except on its terms.

The Western nations have gone more than half-way on the subject of disarmament from the beginning of the meetings of the Sub-Committee. For some reason the Soviets have refused to give any ground and insist on its

programme. And I say with all the sincerity that I can bring to my words that we in Canada, in the strategic position in which we are, are willing to go to the utmost limit of safety and survival to bring about disarmament. What value is there in the undertaking of the Soviets not to use atomic or hydrogen weapons for a period of five years unless full inspection is possible and provided for?

Disarmament proposals without inspection are, in our opinion, meaningless. Inspection is the key, and I ask this simple question because I think the proposition is as simple as this. I ask the representative of the U.S.S.R.: Why do you oppose effective inspection? If you have nothing to hide, why hide it? I think in general that that represents the thinking of free men everywhere.

There were hopes expressed in the month of June last and earlier that the disarmament talks would be effective. They ended without agreement, but they did not entirely fail. The positions of both sides were brought closer. I think that that Sub-Committee must continue to operate. There have been suggestions that the Sub-Committee membership should be broadened. We would be in accord with any suggestions that its membership be broadened providing that that step would lead or even give hopes of leading to a quicker and better solution of this grave problem. And we go further than that. Canada is prepared to withdraw from the Sub-Committee. It has worked on it from the beginning. It will do anything at all, take any stand whatever short of its safety and its survival in order to bring about what must come if mankind is to continue to live -- and that is a measure, and a considerable measure, of disarmament.

We consider that a salutary effect might be achieved by adding other powers; they may be capable of rendering assistance with the processes of seeking agreement that we have not been able to achieve. But let me say this: That Geography alone should not be the basis for choosing additional members, for all members are not equally equipped to contribute towards the agreement for which we all devoutly hope. We recognize the anomalies of our own status as a permanent member of this Sub-Committee. We know that, because of the fact that we are unable to produce, we have not stood on equal terms with the other members, for we lack that responsibility and direct interest which should be of the essence of membership. I will say no more of that.

United Nations Emergency Force

I do want to say something, however, in connection with one other matter that is of vital importance today -- the United Nations Emergency Force. United Nations Emergency Force has had a stabilizing and tranquillizing influence in

the mideast. I am not a newly convinced convert to such a force, for I brought the suggestion for it before the House of Commons of Canada in January of 1956. I argued at that time, that such a force could prevent the outbreak of war in the area in question, which today is served by that Force.

The Canadian Government is naturally deeply gratified that United Nations Emergency Force has had so large a measure of success in its endeavours, and Canada is willing to continue its contribution as long as it is considered necessary by the United Nations.

Canadians have a special pride in the fact that a Canadian, General Burns, has done his duty in so superb a manner as to have earned the approval and praise of the most objective of observers. He has done his work at personal sacrifice. My hope is that he will be able to continue to serve as commander even though his own personal interests, which he has always placed in the background, might otherwise dictate.

Canada is not unaware of the fact that Canadian troops make up some 1,200 of the total personnel of 6,000. I repeat what I said a moment ago: Canada will continue to be a strong supporter of the continuance of United Nations Emergency Force until its work is done.

We then come to the question of expenditures. The question of providing the necessary monies for the continuance of the Force suggests that an assessment among all nations of the United Nations would be in keeping with the service to peace to which this Force has contributed so much and with the declarations of the Charter of San Francisco.

I go further and say that out of the experience of United Nations Emergency Force it should be possible to evolve a system by which the United Nations will have at its disposal appropriate forces for similar services where ever they may be required. The creation of United Nations Emergency Force has provided a pilot project, if I may use that expression, for a permanent international force. Malignant diseases, however, are not cured by tranquillizers, and for that reason I still hold the view that only by the establishment of a permanent United Nations force -- and I realize the uncertain and faltering steps that must be taken to achieve this -- can many of the hopes of San Francisco be achieved.

United Nations Must Succeed

I now wish to comment on the United Nations itself. I was present in a humble capacity at San Francisco in 1945. I believe in the United Nations, not because it has always succeeded but because it must succeed; it must go on from strength to strength or we perish. But that does not mean that bringing before the Assembly weaknesses now shows any desire to undermine or corrode it. I believe that we do not serve its high purposes by pretending that all is well when it is clear to everyone that all is not well. I do not take the cynical view that the United Nations is a failure. There have been many successes in its endeavours to keep the peace. But the major question today is whether we have had enough success for the terrifying needs of this age. We have had successes and we have had failures, but it is questionable whether, under the shadow of the dread menace of the latest nuclear weapons, we can afford any more major failures.

I spoke of the work of the last session. Much solid work was done at that session, and many new members deployed their forces in the cause of peace. But the United Nations found itself incapable of finding a solution to the Hungarian question. That was not because of the Charter; that was in spite of the Charter. The ineffectiveness of the action taken last year by the Assembly to assure justice to the Hungarians arose because of the existence of double standards in the United Nations membership rather than from any weakness in the Charter. But there are no double standards provided for in the Charter. Double standards are found not in the Charter but in the performance of some of its members. Some abide by the decisions; others do not. And there is no use in pretending that in all cases we, through the United Nations, can force recalcitrant members to behave as the Charter dictates. It is equally foolish to believe that we would have such power if the Charter were amended.

I believe that if the United Nations is to maintain its capacity to exercise an ameliorating influence on the problems of mankind it must be a flexible instrument. The United Nations must not become frozen by the creation of hostile blocs, which will have the result of stultifying efforts to find real and sensible solutions. There has been at the present session, I think, quite a movement against the bloc system, particularly in the votes that are being cast. It is healthy that member states should group together on a basis of common interest, consult with one another and, at times, adopt common policies. That is common sense. With an expanding membership, there is much to be said for like-minded nations adopting like-minded positions and putting them forward, provided that the groups do not become blocs which would strangle the

independent thinking of their members and prevent the solution of problems on considerations of merit. For blocs tend to create counter-blocs and, in the end, defeat their purposes.

I am not accusing any bloc. But it is a fact that new groups have been formed in the United Nations which are perhaps the inevitable result of older blocs that were created earlier.

As far as Canada is concerned, it is the firm determination of my delegation to resist the trend towards bloc development. Canada is a party to many associations, all of which we value highly -- with our colleagues in the Commonwealth, with our allies in the North Atlantic Treaty Organization, with our neighbours in the Americas and across the Pacific. We shall work together with these nations when we share common views or policies. But we will not be a party in any way to any bloc which prevents us from judging issues on their merits as we see them.

In conclusion, I profess the profound hope that we in the United Nations will dedicate ourselves anew to the high purposes and hopes of twelve years ago.

The United Nations will be true to the principles of the Charter when every nation, however powerful, does not permit itself the luxury of violating its principles or flouting its decisions. I remember as yesterday the inscription over the doorway to the hall at San Francisco where the United Nations had its beginning: "This monument eloquent of hopes realized and dreams come true", which mankind hoped would be the achievement of its supreme task -- the establishment of a just and lasting peace. That is still the responsibility of the United Nations. Past failures or frustrations or cynicism must not be permitted to impede us in bringing about disarmament and an end to the suicidal armaments race. Past Assemblies have earned names descriptive of their major activities. There was the "Palestine Assembly", the "Korean Assembly". Mankind would breathe easier if this Assembly might be known in future years as the "Disarmament Assembly".



CANADA

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STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

(OTTAWA - CANADA)

No. 57/34

CANADA, AN AMERICAN COUNTRY

October 1957.

Lecture before the Academy of History, Bogota,
by R.A.D. Ford, Canadian Ambassador to Colombia.

The title of my lecture may strike you as incongruous; or perhaps superfluous, since it might seem obvious that Canada is an integral part of the Americas. But I chose this title to try to show that Canada is indeed an American state, but with a difference; and to demonstrate in what these differences lie, how they came about, and what that signifies for Canada's relations with her sister nations of the Western Hemisphere.

This year we Canadians celebrated the 90th anniversary of the Confederation of the British colonies in North America into an autonomous and completely self-governing state within what became the Commonwealth of Nations. The manner by which Canada became a national state is radically different from that of all the other states of the Western Hemisphere. Our national, political, economic and cultural formation when examined objectively demonstrates why Canada, though a firm and loyal member of the hegemony of American states, is nevertheless a unique member of our Western Hemisphere society.

The history of Canada is that of political survival. The task of creating a distinctive society has been achieved in the face of numerous conflicting stresses, both internal and external. Through the history of Canada runs the thread of a constant effort to reconcile the divergent strains inherent in Canada's position and structure, and to harmonize the varied and often clashing forces within a united and independent community.

This process has given a unique character to Canada. Its drama lies less in armed struggles in which the nation's destiny was at stake, though there were plenty of them, or in desperate political conflicts. It lies rather in a slow and tenacious advance along the road to nationhood: a patient evolution of successive compromises in politics and government, and an obstinate conquest of the physical obstacles to national development. Patience and compromise were born of necessity. The alternative would have been the disruption or extinction of the nation.

Every American state, with the possible exception of Brazil, enjoys its independence through a break by violent means from the mother country - England, Spain, or France. In our case the break was not violent, nor indeed absolute. Our political and economic position, and the recurrent threats through history to our national unity, denied us the pleasure of spectacular gestures. It was only by turning to the more modest "possible" that Canada was enabled to survive successive crises and to present to the world today a strong, unified and healthy nation.

Let me now examine some of the reasons why our progress towards nationhood took the form it did.

In the first place, we had difficulty in developing one united national feeling. Until 1760 Canada was a French colony, and except for some small British settlements in Nova Scotia, the growth of the English population after the British conquest was largely deferred until the termination of the American Revolution. From that time on until 1867 Canada was divided not only between the French and the English elements, but also administratively in the colonies of Upper and Lower Canada, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland. Differences were so great between them indeed that Prince Edward Island only joined the federation in 1873, and Newfoundland in 1948. The extent of the differences can be judged by the fact that even today many people in these provinces consider that they were tricked into Confederation.

But this is not to mean that a distinctive attitude among Canadians did not develop. Among French Canadians it was marked by a strong nostalgia for French culture, a devoted attachment to the Catholic Church, and a deep-seated conservatism. After the French Revolution this tended to make the breach between the French of France and French Canadians even greater, the ideas of the Revolution being rejected almost in toto.

As for English Canadians, the bulk of the first settlers were refugees from the United States, who had remained loyal to the King in the Revolution and were either forced to flee after the independence of the 13 colonies, or who chose voluntarily to make a new life in the wilderness rather than remain under republican rule. Their point of view therefore was marked by a fierce royalism, a strong anti-American feeling, and a stout individualism. The qualities which obliged most of the peoples of America to fight for their independence against the mother country proved, in the case of Canada, necessary in a continual struggle for independence against the boisterous American colonies which invaded Canada twice - during the Revolution, and again during the War of 1812. It was indeed this feeling of insecurity vis-a-vis the United States and the need to rely on outside help, which could only mean Great Britain, to maintain the balance in North America, which made the Canadians hesitate to throw off

completely the ties with the motherland. In fact the final factor in bringing about the Confederation of the original three colonies in 1867 was the victory of the North in the American Civil War. Both Britain and Canada had given moral and occasionally material support to the South, and the Canadians feared that the northerners would in the flush of victory turn their armies towards the final conquest of Canada. Therefore it seemed prudent at least to unite the scattered colonies in order to strengthen resistance to the United States.

The British leaders of those days, as in fact in the subsequent years of that century and our own times, were able and far-sighted. They realized in good time the signs of growing national feeling in Canada, nudged a little bit by the revolts in both French and English Canada in 1837. Together with the Canadian statesmen they worked out one of those typically British solutions - independent status within a commonwealth of nations. As a result, we Canadians never had to stage a war of independence, and the limitations which we recognized had by force of circumstances to be placed on nationalism meant that the tie with Britain was never completely broken.

Therefore, on July 1, 1867 a new state was born in the Western Hemisphere. The outlines of its future magnitude, wealth and political and economic status could hardly be foreseen in the weak and struggling country of those days. Gradually its confines spread to encompass the British colonies in the Pacific and on the great plains, and the frontiers were pushed north to the Pole. It seemed at the time like a waste of effort to extend dominion over those terrible and endless wildernesses. It was only generations later that we learned of the immense mineral wealth imprisoned in their fastnesses.

I do not think either the Canadian or British statesmen who worked out the terms of the agreement which federated the British colonies in North America into the Canadian state, and its relations with the mother country, had any real idea what this was going to lead to. Some possibly foresaw that eventually Australia, New Zealand and South Africa might follow the Canadian lead. None could have guessed that eventually the British Empire would be largely transformed into a loose association of 10 states, including five African and Asian countries, all independent, but all still recognizing their common political outlook by retaining a common tie.

This common tie is difficult to explain. It consists, in the case of Canada, constitutionally only in the recognition of the Queen of England as also the Queen of Canada, represented in Ottawa by a Governor-General, who is a Canadian, selected by the Canadian Government. This seems tenuous indeed, and yet curiously enough it works. We do retain a system of political and economic consultation, which has no written constitutional existence, but is based on practice and mutual benefit. This exists not only with the United Kingdom, but with the other

members of the Commonwealth as well. In particular we have managed to establish a very close and profitable system of consultation with India. These consultations do not necessarily result in a united stand. Over the invasion of Suez, for example, we felt it necessary to oppose the action of the United Kingdom and France, and voted with India, Pakistan and the majority of the United Nations, while the other members of the Commonwealth were on the other side. But the very fact of our membership in the Commonwealth, and our intimate knowledge of what the United States, India, and the United Kingdom thought and wanted, enabled us to play a helpful role in bringing the two sides together again.

I have talked at such length about Canada and the Commonwealth because it is one of the main features distinguishing Canada from the other countries of the Western Hemisphere. We have retained the British system of cabinet government, we have retained the monarchy, and we have retained the political link with Europe. With the development of the Commonwealth this also meant a political link with Africa and South-East Asia. Therefore, politically we have tended, and still tend, to look politically east and west, not south, except, of course, towards the United States, the political, economic and cultural relations with which are of such overwhelming importance to Canada.

In addition to the political ties binding us still to Europe, there are very strong racial, cultural and economic reasons why we should still feel closer to Europe than countries like Colombia which established their complete independence nearly a century and a half ago. Canada is closer geographically to Europe than any country of America. It is easier and quicker to go from St. John's, Newfoundland, to London or Paris, than to go to Cuba or even Texas. St. John's is 2,000 kilometres closer to London than is New York.

Racially our country is almost entirely European - British and French to start with, and with a large admixture of central and southern European blood. Therefore it was inevitable that Europe should play a prominent role in our cultural development.

Economically our trade with Europe has in the past been very important, not so important now relatively, but still sufficiently important to make the economic prosperity of Western Europe essential for us.

Before the war our trade was triangular in large measure. We sold to Europe and bought from the United States. Since even today almost 25 per cent of our total production goes into exports, it is clear that the economic prosperity of Western Europe is essential to the economic prosperity of Canada.

Economic well-being and political stability go hand in hand. In two world wars Canada felt immediately at one with Western Europe in the need to preserve the independence of the latter. It was this thinking which made Canada one of the first countries to recognize the need for the North Atlantic Treaty Organization. If Western Europe were to fall to the Communists, we felt that an immediate threat to Canada would be presented. The tangible proof of our interest in Western Europe is the fact that a Canadian armoured brigade and a Canadian air division are stationed in Germany and France today as part of the NATO forces.

Thus Canada is obliged to look towards Europe, and to consider the fate of Western Europe the fate of Canada.

Geography helped, though in a minor way, to determine our close link with Europe. It was the dominant factor in forcing us to look also to the East and to the North. Just as Canada is the closest American country to Europe, it also is the closest both to Japan and China and to the U.S.S.R., with the exception of the United States territory of Alaska. We have had therefore to take an interest in developments beyond the Pacific.

An interesting example of the influence of geography in the Pacific on Canadian trade and diplomacy occurred in 1955 when we were negotiating a trade agreement with the U.S.S.R. at the latter's request. At first we could not understand why the Russians were so eager to purchase Canadian wheat, since it seemed incredible that it would be either economic or politic for them, one of the major wheat-producing countries of the world, to buy wheat from us. After we began negotiations, the Russians admitted that it would be cheaper for them to supply the grain-producing needs of Siberia and their Pacific provinces with Canadian wheat shipped from our Pacific ports, than to transport grain from the Ukraine by rail to eastern Russia.

Up until the end of the war, the North was for Canada a vast, largely unexplored region though already producing fabulous mineral wealth. It exerted a tremendous influence on the psychology and thinking of Canadians, but we hardly considered it as a frontier beyond which loomed the immense power of Soviet Russia. With the advent of the jet age it has become painfully apparent that the Russians are only a few hours flying time from North America and that Canada lies between the great giants - the United States and the U.S.S.R. As a result we have had to look to the North in a different way, and have spent billions of dollars in developing our defence net-work in the Arctic, and establishing permanent populated posts in the North.

Therefore the Arctic which in the past had seemed an impenetrable barrier, now looms as a direct frontier with the citadel of Communism. And our new look at geography has also shown that the quickest way from central and Western Canada and the United States is across the northern wastes. Already Scandinavian Air Lines flies from Copenhagen to Winnipeg to Los Angeles, and Canadian Pacific Air Lines from Vancouver across the pole to Amsterdam. Thus, whether we like it or not, we must look to the north, and across the pole to Soviet Russia.

I think we can safely say that Canada, even more than the United States in many respects, has had to have relations well beyond the Western Hemisphere. We have had them for generations with Europe because of our political and economic ties with the old world; with Africa and South-East Asia because of the Commonwealth connection; with China and Japan because we are a Pacific power; and with the U.S.S.R. because of geography. The world-wide connections of the United States arise almost exclusively from the obligations she had to assume as the greatest power in the world.

That is why, perhaps, our relations with the other countries of Latin America have been relatively late in developing. We have had our hands full elsewhere. Our limited resources have been concentrated where we felt they had to be placed if our national existence was to be assured. But since the fifteen or twenty years since Canada began to emerge as an international power, those relations with the other countries of Latin America have developed with astonishing speed. We now have direct relations with eleven countries of Latin America and our trade and cultural contacts are increasing daily.

I have tried to explain why the position of Canada in the Western Hemisphere is quite different from that of the other countries of America. Perhaps I have not been sufficiently specific in showing why it is an American country in spite of these differences.

Geography is clearly not sufficient. It is not enough simply to say that Canada is an American state because it is situated physically in the Western Hemisphere. For the reasons I shall outline below I think Canada can be described as just as fully an American country as the United States or Argentina.

Let me consider first French Canada, about one-third of our total population. Even before the final defeat of the French régime in 1760, the French in Canada had begun to act and behave differently from their compatriots in France. The severe climate, the terribly difficult tasks of building farms and villages out of the wilderness, the constant threat of Indian and English attacks, developed a type of person unlike those who remained behind in the wealth and peace of the richest country in Europe.

This soon became apparent in the second and third generations of French-Canadians - passionately Catholic, sturdy, daring, conservatively attached to their way of life. It was indeed French-Canadians who provided the most daring commanders in the constant wars of the 18th century, and the most fool-hardy explorers in the expeditions which opened up the entire centre of the North American Continent - men like La Vérendrye who explored the great plains and reached the Rocky Mountains; Radisson who explored the North-West; Pierre Le Moyne d'Iberville who, in the dead of winter, crossed half the continent to surprise the British on Hudson's Bay and capture the "impregnable" bastion, Fort Churchill; and his brother, who explored the Mississippi River and founded New Orleans.

These men had all the virtues of the French of France, but they also had that new spirit of intense individualism, love of liberty and freedom of spirit that we associate with the new world. They were, of course, intensely patriotic to the crown, but they were above all Canadians. And when Louis XV finally capitulated to the British and surrendered Canada, very few of them returned to France, though one of the articles of the Treaty of Paris provided for the repatriation of anyone who wished to go. They preferred to take the risks of living under an alien régime than abandon what by then had come to be their native land.

The separation of Canada from France required a very serious psychological re-adjustment. The British conquerors recognised fortunately that the conversion of the French-Canadians into Protestant Anglo-Saxons would be an impossible task, as the expulsion of the French from Acadia thirty years before had proved. The British crown therefore created a system of government eminently feudalistic or seigneurial, which recognised the rights of the Canadians to their language, culture, legal system and religion. Thus the basis for what has been called the French miracle in Canada was created. And it was on this basis that the French-Canadians were able to preserve their identity in an Anglo-Saxon sea - but their identity not as Frenchmen, but as Canadians of French language. Paris still exerts a very strong cultural attraction for Canadians, but it is precisely the same kind of attraction that it exerts for Colombians.

The history of English Canada has been considerably different. From the conquest until the end of the American Revolution, central Canada was indisputably French. Only Nova Scotia had an appreciable English population dating from its earlier cession to Great Britain. After the Revolution came the great influx of British settlers - the hard core, Loyalists from the Thirteen Colonies, and after them a great wave of immigration above all from Scotland and Ireland. The British element in Canada is therefore made up predominantly of these three strains.

The Loyalists were mostly already Americans for several generations. Their principal differences from those Americans who remained south of the Great Lakes lay in their political outlook. In psychology they were people of the New World, but coming largely from the upper and upper middle classes, they had looked with suspicion on the Revolution. They were monarchists, in part because of loyalty to the British Crown, in part because they feared that the establishment of a republic would bring disastrous social consequences.

Thus the pattern of thinking in Canada was set in a strongly conservative mold, both in French and in English Canada for the next 100 years. But the attachment to the crown did not imply to these people any less attachment or loyalty to Canada. There just seemed to be no contradiction in the two so far as they were concerned.

It has been said that the two most characteristic influences in forming the Canadian personality have been Scottish and French. There are, of course, very many people in Canada of Scottish origin, and in some parts, particularly in the Maritime Provinces, this element is predominant, even to the extent of still speaking the Gaelic language. But it was not so much their numbers as their character which influenced our national make-up. The Scots came from a cold and difficult country, and they found themselves at home in Canada. Their habits of frugality, hard-work, obstinacy, ambition, piety, and at the same time love of the arts and education, proved ideal for the new country, and these characteristics have helped to form all of us in this mold. In education, for example, we have tended in English Canada to follow the Scottish model. Indeed for many generations the educational system proved superior to the needs of the country, and thousands of university graduates had to go south to the United States, since their own country could not absorb the annual out-put from the colleges. Someone indeed has compared Canada with United States in this respect, to the relationship of Scotland to England.

Finally, there is in Canada the important racial element from the rest of Europe. At the end of the nineteenth century, they began coming to the great prairie provinces and the new industrial cities - Ukrainians and Germans predominantly, but also in large numbers Scandinavians, Dutch, Belgians, Poles, Italians, Hungarians. And this immigration is continuing, averaging about 120,000 a year since the end of the war, including nearly 30,000 Hungarians in their recent escape from Communist oppression.

Our approach to immigration has been different from that of the United States melting-pot theory. We could not really accept that idea if the concept of a bi-lingual and bi-racial state were to continue. We have, therefore, attempted to assimilate the new elements, at the same time

preserving as much as we could of their cultural heritages from the old world. Thus the Ukrainians, for example, are proud to be known as Ukrainian-Canadians, and their contributions to the artistic, as well as the commercial and political life of the prairies has been very valuable. But these new Canadians cut their political ties with Europe when they crossed the Atlantic, and their outlook on life is strictly North American.

I have talked about the three main racial elements - French, British, central European - which go to make up the modern Canadian nation. Each element, of course, has its special qualities, which could hardly be otherwise when you combine such disparate peoples. But nevertheless, there are a number of denominations common to all Canadians, which distinguish us from the Europeans. Some of these characteristics are also common to all the peoples of the Western Hemisphere. Others distinguish Canada from the other countries with which we share this continent.

These are, in the first place, a strong attachment to individual freedom and democracy and a firm rejection of the class system. In addition we have retained the British respect for law and order, and the French love of logic and the arts.

Perhaps the most important element in forming the Canadian character is, however, the North. Even in Colombia there is a difference between the Bogotano and the Barranquillero. Climate does change a race. Our long, hard winters have a sobering effect on the people. It means, to start with, that we have to work twice as hard as the Texan, say, in order to earn the same living. And the lack of sun makes us more dour and less demonstrative than the southerners.

Finally there is the psychological effect of the vast, unbelievably huge wilderness of ice and snow and tundra which covers the Arctic part of the country, and the huge and often unpopulated distances, even in the south, create a feeling of loneliness and melancholy. This makes the Canadian self-reliant, but often also undemonstrative and silent. And this has little to do with race. It is something inherited from the environment.

I think I might quote some passages from "The Unknown Country", a book by Bruce Hutchinson, which attempts to explain the curious complex which is Canada. "My country", he wrote, "is hidden in the dark and teeming brain of youth upon the eve of its manhood. My country has not found itself, nor felt its power nor learned its true place. It is all visions and doubts and hopes and dreams. It is strength and weakness, despair and joy, wild confusions and restless striving.... Who can know our loneliness, on the immensity of prairie, in the dark forest and on the windy sea rock?

A few lights, a faint glow is our largest city in the vast breath of night, and all around blackness and emptiness and silence, where no man walks..... All about us lies Canada, forever untouched, unknown, beyond our grasp, breathing deep in the darkness".

This is the environment I spoke of; this the atmosphere which forms our special place in the world.

And that environment, as I hope I have shown, is an American environment. And our outlook is an American outlook. We Canadians are above all Americans, though Americans with a difference. And this hemisphere is large enough, and rich enough, to accept gladly various ways of life, so long as they are not mutually contradictory to that basic concept which is Americanism.

S/A



CANADA

STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
(OTTAWA - CANADA)

No. 57/35

October 1957.

IT'S DIFFERENT IN CANADA

Address by Davidson Dunton, Chairman, Board of Governors, Canadian Broadcasting Corporation, at the Toronto Rotary Club, October 4, 1957.

I imagine that everyone in this room believes it's a good thing that Canada exists as a separate national entity - and that it continue to grow and develop as such. I think any friends from the United States present agree that they would like to see this separate North American nation of ours, friendly but distinct, maintain its own identity. I don't believe any of us think of Canadian nationhood as being against any one or any thing - rather as the sense of being for the maintenance and development of Canadian ways and thinking; that we do not think of being better than anyone else, but a bit different. And the world seems now to contain enough pressures for conformity.

These days there is much talk about Canadians welcoming outside capital, but also wishing to have a reasonable share in the control and operations of industrial concerns in this country. But if it is desirable to want Canadian participation in things economic, it seems equally important that Canadians have a reasonable opportunity to participate in non-economic activities, to supply at least a worthwhile proportion of the fare coming to their own minds.

Nationhood just doesn't depend on statistics of industrial production, or of share-ownership of corporations. In the long run the true worth of a nation will surely depend just as much, if not more, on the quality and quantity of thinking it does for itself. It matters not only to what extent it controls its own economic destinies, but also to what extent it controls and provides its own non-material life.

Those are considerations which have led broadcasting, radio and television, to be different in Canada. And, in ways of communication among minds, like broadcasting, we not only need to look at who actually owns the facilities, but at what the facilities actually transmit, which may well be more important. Broadcasting could hardly contribute to the development of Canada as a nation if, although the transmitters are owned by Canadians, practically all the material on them came from outside Canada. Broadcasting would not be developing the human creative resources of the country if it only carried creative and artistic products, or other material, from outside our border.

So far at least, Canada has determined on having broadcasting so organized that it does provide substantial opportunities for Canadian ideas, artistic performances, information, to go out to the Canadian public. At the same time, just as Canada will undoubtedly always welcome outside capital, so its broadcasting will probably always include a fairly large proportion of programmes from outside the country.

To attain this end Canadian broadcasting has to be organized on a different basis, - different say from that in the United States. Why? Because quite different sets of prime facts apply. South of the border, the United States' type of broadcasting system produces broadcasting that is mainly American. The same type of system followed in Canada because of the working of economic forces would transmit broadcasting material that is very largely non-Canadian.

Territorially, Canada is one of the biggest countries of the world. But it has the smallest population of any of the big area countries. I am sure many businessmen here today are familiar with cost problems arising from relatively small national market and from high expenses for national distribution.

In many lines of business this means that imported goods often have an advantage in Canada, unless the disadvantages are wholly or partially met by customs duties. In television the natural economic differential in favour of importation as against Canadian production is far higher than in any other field I know. Television is different from most activities in that the unit of production - the programme - does not go to just one customer; in fact the cost of the programme is spread in one way or another over a large public. In the United States the cost of a national programme can in effect be spread over an enormous population, some 16 times greater than the English speaking population of Canada. Therefore, much more expensive productions can be supported. But these same expensive productions, their initial costs covered in the home market, can be made available for use in Canada for a small fraction of that initial cost. The basic economic competition, therefore, comes between that fractional

payment for an originally expensive production against a much higher figure - the full cost of original production in Canada.

Sometimes you hear some Canadian businesses complaining because imports in their lines seem to be coming into the country priced 10 to 20% more cheaply than they can produce the same article for in Canada. In television you may easily have a programme being offered for national distribution in this country at 1/15th of what it would cost to duplicate exactly the same thing in this country, or perhaps 1/7th or 1/8th of what it would cost to produce a much more modest Canadian programme with still reasonably good audience appeal. Thus, the natural working of commercial arithmetic tends to be strongly in favour of imported television material for broadcasting in Canada, and against production in this country.

As a consequence, it has long been seen in Canada that there had to be some additional source of funds and activity other than commercial, if we were to have any substantial amount of programme production in this country, and any effective linking of the country from east to west across our enormous spaces by programme service. So far at least Canadians as a whole seem to have wanted a substantial degree of Canadian programming and national coverage.

A result has been the Canadian Broadcasting Corporation - a public body with resources in funds coming directly from the public. But the overall result has been much more than that. In a typically Canadian way there has grown up a system of broadcasting which is not only rather different, but that is unique in the world. It is unique in the way in which it combines operations of publicly and privately owned facilities, as well as the use of public funds and commercial revenues.

Some of you who live in Toronto may not realize quite how close and effective is the co-operation in television between the public body and privately owned stations right across the country.

In general terms the CBC element in the system has the responsibility for assuring production of national programmes, and distribution from coast to coast of national programming service, including many imported programmes. But the actual transmission of the national service in some 32 areas of the country is carried out by privately owned stations. Many of these could not have been established had there not been the assurance for them of national network service which not only supplies basic programming but also brings with it a certain amount of revenue. On the other hand national service would certainly not be in many areas of the country had the private interests concerned not had the initiative to establish stations.

This combined system in Canada is not only unique in form in the world, it also differs by the speed with which it has been developed. The growth of television in Canada has been relatively faster than in any other country in the world. Today, just five years after the start of television in Canada, 40 stations, 8 owned by the CBC and 32 by private interests, make national programme service available to some 85 per cent of the Canadian population. There are two full network services in operation, one in English and one in French. It is interesting to remember, in the United States, with its big population and great wealth, only three full network services are operating. By the end of next year national network programmes will be connected directly by microwave from St. John's, Newfoundland, to Victoria, British Columbia. This is some 4,200 miles and will span further around the world than any other such network.

Toronto shares with Montreal the position of third among television producing centres on the continent, exceeded only by New York and Hollywood. Montreal is the biggest producer of French language television programmes of any place in the world.

On the quality of Canadian production in television there are naturally different views. I wish, however, that in this day of Canadian television people in Toronto could see and take into account French language production, because the two should be weighed together as one national effort. Of the English language programmes done in Canada I am sure there are many different opinions in this room. I am not going to argue today about the merits or demerits of any particular programme, or of all the production.

I do think the importance of Canadian television programmes in Canadian life is well proven by the amount of discussion there is about them - in the press as well as in private. The very discussion itself proves that Canada's own television programming is stimulating Canadian life.

What Canadian television has achieved has been made possible only through remarkable co-operation among different elements. There has been the close working relationship between private stations and the CBC; there has been the remarkable contribution of Canadian writers and Canadian talent; there has been the initiative and drive of the manufacturing industry; and of the communication companies which have actually built the big microwave systems on the foundation of long term contracts with the CBC. Canadian advertisers have spent large sums of money in advertising on television. Quite a number of them have directly supported Canadian programmes, although this form of participation in television has cost them more than the sponsoring of imported material which would attract plenty of viewers for their advertising messages.

National television service, of course, costs money - lots of it. Canadian viewers have spent about a billion dollars equipping themselves to receive television. Including depreciation on their sets they are probably spending close to \$200,000,000 per year themselves on the viewing they do.

On the broadcasting side large amounts of funds have been channelled into television through advertising. But as I pointed out before, funds coming from the public in other ways are essential if we are to have any substantial production of Canadian programmes for national consumption and any effective linking of the country from east to west. The quantity, and to a large extent the quality, of Canadian programme production will vary in proportion to the amount of public funds going into the television system.

There is quite a lot of talk about pay-as-you-see television in the air these days. Following this kind of thinking, it is interesting to break down some of the present figures. When you average it out it appears to cost each Canadian television family about 20 cents per day for their television viewing, including power maintenance, replacements and set depreciation. In the same way the average contribution per television family to the television transmission system works out to around 4 cents per day.

It is not for those of us with responsibilities in television to say what these amounts should be. Those decisions are taken on behalf of the public by Parliament. What we do know from dealing with the actual facts of television is that the effectiveness of the system, in terms of Canadian production and of national coverage, will depend primarily on the extent of the funds coming from the public through means other than advertising. It is the heavy responsibility of those on the public side of the system to try to see that the funds are used to the greatest possible advantage.

The Canadian broadcasting system, as I have said is quite different from those of any other countries, for special Canadian reasons. But within Canada - also for special reasons - the structure of responsibility in broadcasting has been different from those in other activities. The CBC, for instance, while publicly owned, is not under the direction of the executive government with respect to its broadcasting activities, which makes it different from most publicly owned corporations. There have been two major reasons for this: first that, because of its nature, broadcasting cannot be carried out successfully by a government department type of administration, but can be by a corporation with much of the flexibility of private enterprise while being responsible to Parliament as a whole; and secondly that broadcasting should be free from any possibility of political partisan influence. The Government, however, does have responsibility with respect to the licensing of any and all stations; it must approve certain large commitments of the CBC; and under our system

of government it is usually the executive that proposes national broadcasting policies to Parliament and any financial arrangements to carry them out. There is also a difference in that the system of closely inter-related public and private operations has been under the general co-ordination of one body responsible to Parliament - the CBC.

In this country broadcasting is also set apart from other activities I think by the amount and intensity of discussion about it. At times perhaps some of those of us engaged in either the public or private aspect of it could wish there was a somewhat lesser degree of discussion. But then we should probably console ourselves by the fact that all this shows what a vital activity it is, and it is helpful to hear and sense the many views expressed, although we would wish they didn't contradict each other as much.

Certainly I can't think of any other activity which has been probed and considered so many times and at such length by Royal Commissions and Parliamentary Committees, quite apart from all the discussions among the public, in the press, by governments and in Parliament.

The history of broadcasting in this country from one viewpoint seems to go in recurring Royal Commission cycles, with regularly succeeding phases. There is the pre-Royal Commission phase when everyone is waiting for a body of enquirers to be set up, and certain decisions have to be postponed for that reason. Then there is the long period of Royal Commission work itself when many people in broadcasting spend a large part of their time writing briefs, reading the briefs of others, or explaining to enquirers about how things work in broadcasting. Then there is the post-Royal Commission phase when people in broadcasting wait for other people to read the report of the Royal Commission, and form their own opinions about what it says. Towards the end of this phase presumably come decisions, related or not as the case may be to the report of the Commission. I think the hope of most people in broadcasting usually is that the decisions following one Royal Commission report are made before another Commission looms up on the horizon.

Then, of course, there is the Parliamentary Committee cycle - with also its recurring phases, too, and with always the possibility of recommendations for major changes appearing.

At the moment broadcasting is in a post-Royal Commission phase. And so, I can't tell you much about the future in television or radio; about what the structure for co-ordination under major policies will be; or what will be the financial arrangements, on which in turn depend the future of the Canadian production and distribution, and the organization and facilities for it.

Uncertainties about such things ahead are, of course, nothing new to the CBC. For years it has probably been part of the spice of life for those working for the public in the CBC part of the system not to know at any time whether any current public discussions would lead shortly to a major change in responsibilities or in means and powers to carry these out. That has been the case for years through the recurring cycles I have spoken of. But all the time it has been, and is now, the responsibility of those in broadcasting - radio and television - to push ahead with the job, to do the best possible with the means and mandates immediately at hand. That is what we in the CBC are doing as best we can.

Among other things, broadcasting in Canada is different in the amount of uncertainty it normally lives with. The ability of the system with the public and private elements to serve the Canadian public will be strengthened if and when there is a reduction in the uncertainty, and lines for the future are determined.

S/A

GOVERNMENT



OF CANADA

STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 57/36 . THE CHALLENGE OF SOVIET TECHNOLOGY

An address by Prime Minister John G.
Diefenbaker at McGill University Convocation,
October 7, 1957.

The honour conferred upon those associated with
me today and upon me is one that is deeply appreciated by us all.

McGill University, for so many years by its
contribution to learning having made Canadians in every province
its debtor, makes the honour all the greater and more significant.

The bonds between Saskatchewan, my Alma Mater, and
McGill, have been close and fruitful. Many of our graduates
have come here to do post-graduate work, and among those who
have come from the staff have been President James Thomson
and the late Dr. Ira Allan McKay.

Indeed, the exchange of students and professors
among the universities has resulted in Canadian universities
becoming essential instrumentalities in the promotion of
Canadian unity.

On occasions such as this it is natural to look
back on the past. How vast have been the material changes
since the founding of McGill is revealed in "Its Story"
published in 1921:

"In the days of James McGill, Montreal was a small town
of from twelve to fifteen thousand inhabitants ... One-
third of the houses were wooden huts ... In 1813, the
year of James McGill's death, only nine vessels entered
Montreal from the sea, and their total capacity was but
1,589 tons ... Slavery was not unknown, and a sale ad-
vertisement towards the end of the century included in
the articles to be sold 'A stout, healthy negro man
about 28 years of age - an excellent cook, and very fit
for working on a farm'. A mail for England was dispatched
about once a month. It went by way of New York and took
from three to four weeks to reach that city".

My graduation in 1915 just witnessed the beginning of the First World War after several generations of world peace. The British Empire was unchallenged in world prestige and power. Communism was but a philosophy. Freedom under democracy was believed to have been established for all time. Would anyone in my year have dare to prophecy that conflicts, both active and passive, would have continued for the next 42 years?

Graduates, you enter a world described by Adlai Stevenson in words that do not exaggerate:

"The First and Second Planetary Wars have helped to make this half-century the most barbaric interlude of the Christian era, branded with the restoration of slavery and torture, by the destruction of whole cities and the extermination of tens of millions of our fellow-men, far more indeed than in the past 1000 years."

Science by discovery and research has made it possible for mankind to live as never before, or to die. Since the end of the Second World War scientific changes have taken place with kaleidoscopic regularity, and have their latest manifestation and the beginnings of a new world in the launching of the "little moon". These graduation ceremonies take place at a time when everywhere in the world men are scanning the skies at the sunrise and the coming of the dusk to catch a glimpse of the first man-made moon circling the earth; or are twisting the dials of their radio sets to hear its sound.

The unrealities of space fiction have now become reality and it is not beyond the imagination that having succeeded in launching this earth satellite at the rate of 18,000 miles per hour the time may not be far distant when the "escape velocity" of 25,000 miles per hour will be attained, at which speed the chains of gravity which hold man to the earth will be broken.

The launching of an artificial earth satellite by the Soviets presents a challenge to you who are graduating today, and to the Free World. It is a particular challenge to the universities. For this achievement was won not by a lone scientist pouring over his books or working with a few associates in a laboratory - as your Lord Rutherford did when he made his great discoveries at this University. It is the result of the work of a vast combination of scientific institutes and factories, carrying out the ideas of an army of the most highly trained scientists, engineers and technicians.

It does the Free World no disservice to acknowledge this triumph of technology and pay tribute where it is due. The scientists of the Free World have won many other firsts. In this case the Russian scientists have won one race in the field of peaceful competition. We must gird ourselves for the future and not shrink from fair competition in scientific research.

The U.S.S.R. has mobilized science for the state and its purposes with the terrible objective of ultimate domination of all mankind. In the economic field it is engaged in an industrial revolution which aspires in six more years to equal the industrial production of the United States. Education is subordinated to the will of the state, and to that end the universities of the U.S.S.R. are directing their course to a maximum and mass production of graduates in engineering and applied science. We are told that the numbers graduated in the U.S.S.R. this year in these fields will exceed those in all the universities of the Free World.

Not only are the Soviets turning out the scientists but technicians as well who are so important and who must have played a large part in the launching of the artificial moon. According to an American authority who has made a close study of Russian education, there are 2000 "techikums" in the Soviet Union scientific vocational training colleges where two and a half and four-year courses are given to 2,500,000 students.

Can free men not achieve as much? What has been achieved by the U.S.S.R. has been brought about by a frightful subordination of scientific study to state purposes which only a totalitarian state would undertake. The Free World must not copy the Russian methods but must realize that what is taking place is a challenge to the Free World which dare not fall behind in the race for technological supremacy.

While the universities of the Western World should not make materialism their guiding principle, they must plan to make provision for the encouragement of a material increase in the numbers of undergraduates who, having the ability, will enter engineering and applied science courses. Survival demands planning to that end without delay.

I mentioned earlier that the achievement of the space satellite is a challenge to universities. It is far more than that. In the Soviet Union all the resources of the state, both human and material, are used by the state for the purpose of the state. The sky is the limit for expenditure on such objectives which the Kremlin determines on as of primary importance regardless of the effect on the living standards of the people. While the Free World dare not adopt these principles I believe that the leaders of the free nations must co-operate in making available to scientists larger financial resources so that scientists of the Free World will not be fettered by improvident considerations of false economy when weighed on the scales of survival.

An increase in the number of graduates in science and engineering should not be attained by the sacrifice in any way of the social studies which contribute to a full, meaningful, and responsible life.

I am of those who believe that freedom can survive in the future as it has in the past only when free men, while not ignoring the demands of science and technology, maintain undiminished their faith in ethical and spiritual values.

Moreover, if freedom's survival is to depend on the production of as great a number of graduate scientists as does the U.S.S.R., then freedom's future would be foreboding in its implications, if not hopeless.

The Soviet Union will exploit the achievement of the first satellite for propaganda purposes as establishing the superiority of Communism over the forces of freedom. They will ignore the contribution of scientists of all other nations from Newton and Kepler to Rutherford, Goddard and Oberth.

The Free World will get nowhere by resorting to fear nor will it meet the challenge by a spirit of apathy based on defeatism. The leaders of the Free World cannot and would not coerce its people. They can, and they must, inspire them to a new vision of citizenship.

Freemen, to remain free, must practice good citizenship. Those of little faith contend that individual effort means little in the world conflict for the minds and the souls of men.

We, who are older, have taken that which came to us from the past. We have done our best with our trust and not always well. You will want either to live in the world that we have made, or you will want to make your vision, your courage, even sometimes your rashness, bring about changes that you feel are necessary.

I am aware of course of this University's latest and most successful venture into the field of political comment in that marvellous extravaganza, "My Fur Lady". As a Canadian production it has proved there exists a lively interest - (some politicians might call it an irreverent interest), in the politicians who conduct the nation's business.

There is a tendency sometimes to refer to the practice of politics which is the science of government in terms that range from contumely to condescension.

I believe that a thorough grounding in the basic processes and procedure of politics is necessary in the development of a well-informed Canadian personality. It is necessary "To Think Canadian", (to use the words of one of the fine songs in the famed musicale), and, may I add, to take part in the public affairs of the constituency in which you live, to work for as well as to think of things Canadian.

I appeal for a wider devotion to public service and for the raising of standards by personal participation. Universities constitute a training ground for public service. Almost one-half of the Members of Parliament are university graduates. It has been estimated that there are some 10,000 in the civil service, more than 300 in the External Affairs Department.

Freedom cannot be preserved nationally unless young men and women are prepared to give a greater degree of public service than ever before. Leadership is necessary. Only recently a Canadian university leader has become Secretary of State for External Affairs.

Public life today offers boundless opportunities for service, for it is in this field that the concepts of social studies and the advances of science are translated into actuality for the benefit of the people.

Opportunities for service in public life have increased in proportion to the needs of the age in which we live. My hope is that young men and women with a passion for, and devotion to, the public welfare will in large measure make themselves available to the building of that future which Arnold Toynbee has summarized as a field in which men and women "will not accept the inevitability of the present but will as adventurers help to form it".

I look to that day when one or more Canadian university will give consideration to the establishment of a Chair of Politics (and while there are many political science courses there is none of the type that I have in mind), which will provide postgraduate courses in practical politics to men and women who desire to enter Parliament or the Legislatures, or the Civil Service.

In conclusion, may I say that I envy your entry into the affairs of the world now. I should like to be in your place. This may not be the most comfortable moment in history - in some ways, it is full of darkness and menace - yet it is a thrilling time. You are standing on the threshold of a new era, a new era of boundless scientific development in which man will rise to greater heights, or fall.

Each of you, I am sure, will do your best for yourselves and your country. I should not be surprised if one of you penetrates the outer spaces. This is truly a time for reaching for the moon, and the moon seems to be within grasp. "Per Ardua ad Astra" may be for every one of you.

Yet, in the grim struggle for material success both for yourselves and for the nation, spiritual concepts must be maintained.

Each of you, in your way, when you leave will be seeking the truth - and, in this connection, I can do no better than quote the words of McGill's own great Sir William Osler who said:

"The truth is the best that you can get with your best endeavour; the best that the best men accept."

There can be no better way of expressing your ultimate objective than that. There can be no better objective for us all than truth - "the best that you can get with your best endeavour, the best that the best men accept".

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STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

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ECONOMIC AND FINANCIAL QUESTIONS IN THE UNITED NATIONS

Statement by Mr. Theogene Richard, M.P., Canadian Representative on the Second (Economic and Financial) Committee of the United Nations, October 9, 1957.

The Canadian Delegation has decided to participate in this debate because it has seemed to us desirable to present a general point of view which is relevant to most of the subjects covered by the report of the Economic and Social Council.

My delegation considers that there are grave errors in both of the extreme positions which are sometimes taken regarding the usefulness and importance of the United Nations. Some people, and indeed some governments, have tended to view the United Nations as an organization to which all difficulties should be referred and through which all problems can be solved. Such an attitude, it seems to us, leads almost inevitably to disillusionment and bitterness. We must recognize that there are several limitations on what the United Nations can and should try to accomplish in the various fields with which it deals. This is particularly true--if I may say so--of action in the economic and financial field which is the concern of this committee.

On the other hand, many individuals and some governments appear to believe that the United Nations is of little or no value because it has failed to do everything they hoped it could, or has been unable to contribute much to a particular problem at a particular time.

My delegation believes that there is a constructive middle position between these extremes. The records of this committee and of ECOSOC show that the United Nations can certainly achieve useful results, if earnest efforts are made to work out decisions which are practicable, which are generally acceptable among member governments, and which are likely to be widely supported by public opinion.

I hope that the members of this committee will bear with me while I discuss three of the questions before us, from what I should like to describe as this constructively realistic

point of view. The three questions that I have in mind are the promotion of international trade, economic assistance for the less-developed areas, and the problems created by the world economic situation.

International Trade

The welfare of the Canadian people is dependent to a high degree on our ability to sell our products, both manufactured and in raw material form, in order to finance the imports required for further economic development and for the maintenance of a high and rising standard of living. Consequently, the Canadian Government has always been interested in measures which would promote and develop international trade. Canadian spokesmen frequently find themselves in substantial agreement with representatives of so-called less-developed countries when they complain of the effects of wide variations in the prices of the principal commodities that they produce for export. We ourselves suffer from such variations. That is why Canada is a party to such international commodity agreements as the International Wheat Agreement, the International Sugar Agreement, and the International Tin Agreement; and that is why Canada was willing to stand for re-election last year to membership in the International Commodity Trade Commission.

The Canadian authorities are satisfied that considerable progress has already been made in improving international trading conditions through the use of the existing machinery for international co-operation in commercial matters. The Canadian Delegation therefore supports efforts that are being made, both within the United Nations and outside the United Nations, to improve world trading conditions.

Economic Assistance to Underdeveloped Countries

Now, Mr. Chairman, I should like to turn to the question of economic assistance to underdeveloped countries. It seems to my delegation that, in the discussion of this subject in recent years, there has been a tendency for some people to lose sight of some basic facts. One fact that no one will deny is the existence of a need; clearly there is a deplorable disparity between living standards of developed countries and living standards of underdeveloped countries. The developed countries certainly can help the underdeveloped countries to accelerate their economic development and have a moral obligation to do so.

In fact large sums are being diverted from the more highly developed countries to the economic development of other countries. The great bulk of this flow takes the form of private capital investment. Indeed this is the form of investment which has developed Canada. Considerable sums of money are also being provided by governments under bilateral programmes--notably, the various United States programmes and the Colombo Plan. Each

year large sums are provided by governments through the Expanded Programme of Technical Assistance, the United Nations Children's Fund, the United Nations Relief and Works Agency for Palestine, the United Nations Korean Relief Administration, and other United Nations agencies. For the first time members of the United Nations have a clear picture of all these various types of assistance in document E/3047 containing information concerning international economic assistance for the less-developed countries. Of course aid programmes, whether through the United Nations or through other channels, only form a relatively minor portion of the total resources both material and human which are being devoted to economic development. I would like to pay special recognition to the efforts, the successful efforts of the less developed countries to help themselves.

Now, how do governments get the money for the various assistance programmes? In my country, which is typical in this respect of many states members of the United Nations, the government asks the representatives of the people in Parliament to vote the necessary funds. In effect, Parliament has to decide that "X" millions of dollars which might have been spent on schools or hospitals, or roads, or irrigation systems at home, should be spent in assisting the economic development of other countries abroad. I think every fair-minded person will agree, Mr. Chairman, that it is right and proper that Members of Parliament, in voting money for economic assistance to underdeveloped countries, should wish to satisfy themselves that the best possible use is made of these resources. They may, in some cases, believe that money given to the United Nations for economic assistance will be spent to better advantage than money that might be given for bilateral programmes. It would be natural to expect, however, that in other cases the members of national parliaments and other legislative bodies may wish to emphasize the provision of assistance for bilateral projects which result in direct and intimate relations with other countries based on mutual agreement and respect. In some cases, they may prefer to provide direct assistance to less-developed countries with which their own country has historic connections. I think it is completely logical, for instance, that the major share of the economic assistance provided by the Parliament of Canada should be provided through the Colombo Plan under arrangements initiated by our fellow nations of the Commonwealth. My delegation considers that in our discussion of the problems of the economic development of underdeveloped countries, our objectives should be to encourage the most effective use of the total amount of aid resources available within the United Nations and through bilateral programmes.

The Canadian authorities have also considered that there should be some relation between the bilateral and multilateral types of programmes. At the very least there should be co-operation and understanding between the various forms of aid so that scarce resources are not wasted. In this respect I entirely agree with the observation which was made recently in this committee by my colleague from Ghana. He referred to the importance

of avoiding duplication and competition between the various types of economic aid. In this respect it may well be that the United Nations has a special responsibility and function. Both the less-developed countries and the more-developed countries have a joint and equal interest in avoiding the dangers to which my colleague from Ghana has drawn our attention.

World Economic Situation

I should now like to speak briefly regarding the consideration that has been given by the Economic and Social Council and by the United Nations generally to the world economic situation. In this connection I was struck forcibly by the relevance of a comment made to the Economic and Social Council in the course of its 23rd Session by Mr. Per Jacobsen of the International Monetary Fund. Mr. Jacobsen noted that for some years after the establishment of the International Monetary Fund its facilities were not used to any great extent. He went on to say, however, that in those first years the fund was developing policies and procedures which stood it in very good stead when, in 1956 and 1957, it entered into a period of unprecedented activity and usefulness.

It is the opinion of my delegation that a good deal of the work that has been done by the United Nations Secretariat and by the Economic and Social Council on world economic problems has not been valued as highly in the past as it might have been, because the world was in a period of relative prosperity. It may well be that the statistics and other material collected by the United Nations, and the discussions held in UN bodies on world economic problems, may prove to be more valuable in the future. In the Economic and Social Council Canada has supported decisions aimed at improving the usefulness of United Nations surveys and statistics. The United Nations is unlikely to discover formulas for dealing with economic problems which will be equally useful to all member countries, but the activities and discussions of the United Nations in the economic field can certainly be directed into channels which will be of the maximum utility. This work is primarily the responsibility of the Economic and Social Council and the Canadian Delegation can, in general, endorse its work in the last two years while Canada has been on the Council.

In this connection, my delegation wishes to express its agreement with the emphasis which Monsieur de Seynes gave in his address to the problems of inflation and to the difficulties created by what he described as the maintenance of "economic balance while the rate of growth is being accelerated". These are problems that Canada is facing in common with other countries. We look forward to the World Economic Survey for 1958 which will give special attention to these questions.

My distinguished colleague from Japan, who is also our Vice-Chairman, suggested that consideration might be given to studies of the possible economic effects of disarmament. In this connection, it will be recalled that members of the United Nations

accepted in 1953 a declaration to the effect that, on the achievement of a substantial measure of world-wide internationally supervised disarmament, a portion of the savings achieved would be devoted to economic assistance for the less-developed countries through the United Nations. My delegation is of the opinion that our Japanese colleague's suggestion - for which we commend him - should be kept in mind in connection with any possible agreement on disarmament. We doubt, however, whether significant results would be achieved by commencing studies on the economic effects of disarmament until we have a clear indication of the degree of disarmament that is possible. In other words, we must await the necessary political decisions before we can assess their economic consequences.

Finally, I come to the suggestion which we made in a thoughtful and interesting statement by the Roumanian Delegation. If I understood the Roumanian representative correctly, he suggested that consideration be given to the adoption by the United Nations of a set of principles concerning international economic relations.

It seems to the Canadian Delegation, however, that the principles which our Roumanian colleague suggested bear a close relationship to certain articles of the Charter of the United Nations. I suggest that this committee would find it a most difficult and lengthy process to agree on a further general declaration such as that our Roumanian colleague has suggested. My own delegation would prefer to avoid lengthy debates on general principles when there are opportunities for constructive and practical discussions concerning the development of the United Nations programmes of economic aid.

I would conclude, Mr. Chairman, by referring once again to the concept of constructive realism which I stressed at the beginning of my statement. Some members of some bodies of the United Nations have sometimes taken any reference to realism, practicability, constructiveness or co-ordination as implying unwillingness to support useful and appropriate action. It has sometimes been suggested that countries unwilling to participate in United Nations activities have hidden behind these catchwords.

I sincerely trust, Mr. Chairman, that no one will entertain such an impression of Canadian policy. If it would be useful to emphasize my point, I could give the committee a list of the support in the form of contributions which Canada has made to the various United Nations programmes. I do not think, however, that this would be either necessary or appropriate. I should only like to emphasize that the Canadian Delegation will continue to support and press in the United Nations for decisions that are practical and constructive and in consonance with the spirit of the Charter.



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No. 57/38

CANADA'S TRADE

An address by Mr. Gordon Churchill, Minister of Trade and Commerce, to the Canadian Exporters' Association, Seigniory Club, Montebello, Quebec, October 22, 1957.

Mr. Chairman and gentlemen, I welcome this opportunity of being asked to participate in your proceedings. I suppose that there is no group more closely associated with the Department of Trade and Commerce than your Association. Your outlook and your interests are world wide. So are those of the Department, and our Trade Commissioner Service with branches in 44 countries of the world indicates the extent of our activity.

I am informed that discussion of trade promotional problems between your Association and our Trade officials is not confined to annual conventions but is conducted on a continuing basis through periodic representations by a special liaison committee of your organization. I have learned also that, in co-operation with the Department, you have established a correspondence course, called the "Canadian" Institute of Export", which is already helping to fill a vital need in the trading community. Just recently I have been reading a series of articles, most of them supplied by members of your Association, dealing with the techniques of export trade. The longer I live the more homework I seem to have to do.

Since coming to the Department I have been impressed by the number of messages of appreciation which Canadian businessmen have sent to our Department with regard to our Trade Commissioners serving abroad. These messages would not come unless our Trade Commissioners were maintaining the high standard of services of the Department of Trade and Commerce. I presume that, in due course, the House of Commons will have a somewhat different and less complimentary type of comment for the Minister.

I am not sure whether you are expecting me tonight to give a review of Canada's general trading position or whether you are looking for a statement of Government policy. When our Department's estimates come up for review in Parliament I expect to deal with the first topic and, of course, the second will be announced from time to time in the House of Commons. I realize that there is an impatience -- perhaps a healthy impatience -- for a declaration of policy but now that the House is in session many of the questions will receive appropriate answers.

Under these circumstances I will confine my remarks to rather general topics and to comments on recent events. I doubt if any Canadian government has had so many important events occur within just three and a half months of taking office. You will recall that the Prime Ministers' Conference was held in London at the end of June. Then followed extensive preparations for the Commonwealth Finance Ministers' meeting first at Washington for the Monetary Fund meeting and then at Mont Tremblant. This was succeeded immediately by the meeting with the United Kingdom Ministers and twenty-four hours later we were on our way to Washington to confer with Messrs. Dulles, Benson, Weeks and Anderson of the United States Cabinet. That was hardly over before Her Majesty Queen Elizabeth arrived and Parliament was opened. Superimposed upon this round of activity has been the preparation of the legislative program for the Session and of course all the routine work of general administration.

If you are searching for a clue to Government policy perhaps it might be discerned in the various conferences. If policy is not disclosed at least an attitude of mind may be discovered.

At the Prime Ministers' Conference in London our Prime Minister made the suggestion that a Commonwealth Trade and Economic Conference might well be considered and that the Commonwealth Finance Ministers might be the body to canvass the idea. Accordingly arrangements were made for the Commonwealth Finance Ministers to meet at Mont Tremblant to discuss the possibilities of a conference. That was the purpose of the Mont Tremblant meeting and, despite some early doubts, fears and misgivings, a unanimous decision was reached to call a Commonwealth Trade and Economic Conference next year. The Mont Tremblant meeting did not go beyond that and was not called for any other purpose. To get agreement among the eleven participating countries was an achievement of some magnitude particularly when one recalls that many responsible people considered that we were attempting the impossible. Canada's leading role at Mont Tremblant and the persuasive powers of our Minister of Finance were recognized and acclaimed by the spokesmen for the various countries.

Not without great importance was the attitude of the newer members and their expression of faith and pride and confidence in the Commonwealth. India, Pakistan, Ceylon, Ghana and Malaya spoke with eloquence and sincerity of the importance to them of their membership in the Commonwealth and their desire

to strengthen the ties that bind so many millions of people together in the world's most unique organization.

The calm of the Mont Tremblant meeting was temporarily upset by a press conference that for vigor and exuberance has perhaps not been surpassed in Canada's history. Attention was diverted to a topic which had found its way into one of the newspapers, namely a proposal for free trade between the United Kingdom and Canada. It made a good news story but had no place in the Commonwealth meeting which was concerned with other matters.

The next conference took place in Ottawa after the Commonwealth Finance Ministers had departed. The Chancellor of the Exchequer, Mr. Thorneycroft, and the President of the Board of Trade, Mr. Eccles, stayed over for two days to confer with various members of our Government with regard to immediate practical steps to increase the trade between the United Kingdom and Canada. This was a natural follow-up to our Prime Minister's earlier suggestion that some of Canada's trade with the United States might be diverted to the United Kingdom. The free trade idea was officially advanced but we were not asked to make a decision one way or the other for, as the U.K. Ministers themselves said, a proposition such as this would require a great deal of time for consideration. The common market and the proposed free trade area in Europe, they pointed out, were subjects of discussion for eighteen months before the United Kingdom authorities took any stand whatsoever. Consequently we utilized the short time at our disposal to discuss the present trade situation between Canada and the United Kingdom. As an immediate practical step we decided to send to the United Kingdom a large and representative trade mission in November to explore the possibilities of increasing imports to Canada from that country. If the dollar earnings of the United Kingdom can be increased, Canadian exports can be enlarged.

As a result of Canada's publicly announced desire to increase her trade with the United Kingdom and with the Commonwealth it was not surprising that we should receive an invitation to go to Washington to talk over matters of mutual concern. Canada is the best customer of the United States and our neighbour is interested in knowing about Canada's attitude. It has not escaped the notice of Washington that there is growing disquiet in Canada over our imbalance of trade with the United States nor that there has been dissatisfaction over some aspects of their surplus disposal program.

We spent two days in Washington. Nobody "fixed" us. We had friendly but very frank discussions and our position was stated clearly. Binding agreements were not possible but assurances were given that Canada's interests would not be overlooked.

These conferences that I have mentioned have drawn public attention to some of the facts of life in respect of Canada's trade. Public awareness has been indicated in a recent Gallup Poll which records a trend heavily in favour of diverting some of our trade from the United States to the United Kingdom and the Commonwealth. Over the years much has been said about this but

little has been done except by enthusiastic individuals who have charted a course for others to follow. Now we appear to have reached the stage where public opinion can be reflected in Government policy.

Probably the most significant change in Canada's external position in the post-war period has been the increased concentration of trade with the United States at the expense of the United Kingdom and the rest of the Commonwealth. The physical volume of trade with the United Kingdom and with the Commonwealth as a whole has risen moderately since pre-war but has not kept pace with the rise in total trade or with Canada's expansion generally. On the other hand the volume of goods flowing to and from the United States has increased more than three-fold since pre-war -- more rapidly even than national output. Trade with the United States now comprises nearly 60 per cent of Canada's total exports and 73 per cent of total imports. The corresponding shares for the whole of the Commonwealth have declined to about 20 per cent for exports and 12 per cent for imports. The United Kingdom which two decades ago was Canada's largest customer now buys less than one-third the value of goods purchased by the United States.

This shift in the geographic pattern of Canada's trade reflects the peculiar circumstances of the post-war period. Both Canada and the United States emerged from World War II with productive capacities unimpaired and with production running well above pre-war levels. After a brief reconversion period overall output in both countries forged ahead rapidly. Rising industrial output in the United States brought a more than proportionate growth in requirements for industrial materials from Canada. Likewise the rapid expansion of the Canadian economy has been accompanied by increased dependence on imports, with the United States the principal source of supply.

On the other hand for the United Kingdom and other European countries, the post-war transition was more difficult and prolonged. The war-time loss of traditional earnings from overseas investments and from shipping, together with the severe dislocation in export industries, left the United Kingdom acutely short of foreign exchange with which to purchase necessary imports. Scarcity of materials in turn hindered the recovery of production and it was not until the latter part of 1947 that industrial production reached the pre-war level.

At this period, just when the United Kingdom's recovery was becoming significant, the shift in Canada's trade to the United States was beginning to gain momentum. Had steps been taken at that time to stimulate imports from the U.K. to Canada it is possible that the present imbalance of our trade with the U.S. would not be as great as it has become during the last ten years.

There are certain aspects of this increased concentration of trade with the United States which bear close attention. One such aspect is Canada's mounting trade deficit with her neighbour to the south. Since 1954 imports from the United States have

increased more than twice as much as exports to that country, leaving a merchandise deficit for 1956 of about 1.2 billion dollars. Adding to this amount net payments for interest, dividends and other invisible items gives an overall negative balance on current transactions of close to 1 1/3 billion dollars.

Much of this deficit has been incurred to purchase investment goods needed for expansion in industries destined to produce for the United States market or for new capacity which will replace imports from that country. Fulfilment of these expansion plans should therefore help to close the trade gap. Nevertheless, insofar as the Canadian economy is likely to go on expanding, import requirements will remain heavy and may continue to out-run exports for a long time to come.

The purchase of a larger share of these expanding import requirements from overseas sources would help to strengthen the external positions of overseas countries and, in so doing, would buttress Canada's overseas markets. Since the United States does not suffer from balance of payments difficulties a reduction in Canada's surplus with overseas countries at the expense of a deficit with the United States should have no adverse effects on markets in the United States. Moreover, such a course of action, by strengthening the weaker partners in the Western trading orbit, would lend firmness to the trading structure of the whole Western World to the advantage of all members of this partnership.

In earlier post-war years the purchase of more goods from overseas sources was sometimes hindered because of supply difficulties. The Brief of your Association, submitted prior to the Mont Tremblant meetings, drew attention to the shortcomings of some British suppliers with respect to both delivery and follow-up servicing. These, admittedly, are serious limitations but might reasonably be expected to diminish over time. In fact since 1952 the rise in overall output in the United Kingdom is roughly comparable to that in both the United States and Canada. This rise in U.K. production levels, which has been most pronounced in export industries, may well remove the major obstacle to greater participation in the North American import market.

The improved supply position of British export commodities has already been reflected in sales to Canada. Since the beginning of 1956 imports from the United Kingdom have been increasing at about the same rate as total imports. In other words Britain's share in Canada's import market is no longer declining. It is important that the maximum effort be made to achieve further progress in this direction.

It is with these general considerations in mind that arrangements have been made in recent talks between Canadian and United Kingdom Ministers to have a Canadian trade delegation visit the United Kingdom later this year. This mission will have as its fundamental and ultimate purpose the promotion of two-way trade between the two countries. However, since any significant increase in British purchases from Canada is dependent to such a degree upon the strengthening of Britain's external financial position,

particular emphasis will be placed upon searching out new sources of supply for Canadian imports. It is not the intention to interfere with competitive purchasing of imports -- from whatever source. The eventual result should in fact be to foster, rather than impede, more competitive purchasing. Many influences affecting Canadian purchasing in the United States -- the matter of proximity, the constant pull of advertising and styling, the subsidiary-parent influence, the tendency to adhere to established lines of business, these and many other factors no doubt result in extensive purchases being made in the United States of goods which might be obtained more economically elsewhere. With the tremendous strides now being made in industry the world-over it would be difficult to over-emphasize the advantages to be gained by constant watchfulness in the matter of economic sources of supply.

As a further means of assisting the United Kingdom sales and earnings in Canada the Government has undertaken to review all forms of Government purchasing in Canada, including Crown Companies, with a view to encouraging and facilitating sales by United Kingdom manufacturers of goods now imported from non-Commonwealth sources. It is the intention also to consider the possibility of enlarging the exemption from duty applicable to tourist purchases in overseas countries. This tourist exemption as presently applied allows the import of \$100.00 worth of purchases duty free every four months and is of considerably less benefit to tourists making longer but less frequent visits overseas.

Canada's expanding imports consist largely of manufactured goods and for this reason prospects of affecting any significant increase in the flow of supplies from the Commonwealth are most promising in the case of the United Kingdom. Imports from other parts of the Commonwealth consist largely of tropical foods and other agricultural products such as wool from Australia and New Zealand, tea from Ceylon and India, hemp and jute from India, sugar from the British West Indies and rubber from Malaya.

The development of commercial and economic ties with the British West Indies is of particular interest to Canada -- partly because of proximity and also because of the complementary nature of the two economies. Canada's trade ties with this area date back almost as far as those with England. It is also the part of the Commonwealth with which we enjoy the highest per capita trade. With a population of only four million persons the British West Indies absorbs 5 per cent of Canada's exports to, and supplies 9 per cent of the imports from, the whole of the Commonwealth. Imports from this area, consisting largely of sugar, petroleum and bauxite, exceed the value of all purchases from Australia, New Zealand and South Africa combined. At the same time the British West Indies is a highly diversified market for Canadian exports and given further relaxation of import restrictions offers great potentialities as a market for manufactured products. Having in mind these many matters of mutual concern, Canada is deeply interested in the future course of development in this area, which is destined soon to become a new self-governing member of the Commonwealth.

In conclusion, I would like to emphasize that the Government, in its trade program, does not intend to dislocate established and profitable channels of trade. In the meeting of the Joint Canada-U.S.A. Committee on Trade and Economic Affairs, there was broad agreement on the means of promoting an orderly expansion in world trade and both parties emphasized the need for continued support of the principles of the General Agreement on Tariffs and Trade. While a broadening of Canada's trade seems desirable in the interests of both Canada and the Free World, it is the intention that be achieved in a positive way. The growing needs of the United Kingdom and European countries could provide the basis for new industries in Canada and this new growth could simultaneously provide new markets for European goods. In an expanding world community increased trade in one sector does not necessarily involve declines elsewhere.

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CORRIGENDUM

4. paragraph 2, line 7 - "four-power draft resolution" should read "twenty-four power draft resolution"
5. paragraph 3, lines 1 and 2 - "four-power resolution" should read "twenty-four power draft"

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No. 57/39

DISARMAMENT

Statement by Mr. Sidney E. Smith, Secretary of State for External Affairs of Canada, in the First Committee of the United Nations, on October 23, 1957.

Mr. Chairman, in my first intervention in the Political Committee I have pleasure in extending to you my warm congratulations on your election as our presiding officer.

My Prime Minister, Mr. Diefenbaker, in his statement in the general debate on September 23, has made known the anxiety with which the Canadian Government views the dark prospect of growing arsenals of increasingly apocalyptic weapons. As we reflect on the awesome prospect of man's ability to destroy himself, we renew in Canada our determination to prove, before it is too late, that statecraft has not lagged too far behind science. All of us in this room and all our governments must continue to search for sure means to secure the peace of the world. Yet as we survey the antagonisms which rend the world we find an array of well-nigh overwhelming problems. It would be idle to suppose that at this session of the General Assembly we can bring about a settlement of all these controversies. We may hope, nevertheless, that our endeavours will serve to start a reversal in the trend of world events so that we may, as we are pledged to do under the Charter -- "save succeeding generations from the scourge of war". When those words were written, despite the appalling devastation which a global war had wrought, those at San Francisco in 1945 could not realize that soon means of destruction would be created which would make us uncertain that the world would ever see those succeeding generations. We have indeed a more fundamental task than that envisaged in the Charter -- not merely to save the world from the scourge of war but to save the world from destruction.

As some representatives have rightly said, our debate in this Assembly is not merely about disarmament, but about human survival. We have yet to prove that we are capable of the radical adjustment in our thinking which the modern age demands. We are

still using, Mr. Chairman, the outworn vocabulary of international rivalry in the age of intercontinental missiles and the beginning of ventures into outer space. Modern science requires us to achieve a solidarity of purpose as human beings in the great venture of exploring these new developments in science for the benefit of mankind.

The Soviet Union makes a simple appeal -- ban the use of nuclear weapons altogether, or for five years, and then eliminate them entirely, and I must confess, in common with many others throughout the world, that this proposition has an immediate attraction and appeal. An end to any possibility of the use of nuclear weapons is certainly our objective. Why then, it is fair to ask, can we not now accept this simple appeal? The answer is that a promise not to use nuclear weapons is good only until one nation decides to break it. There is at present no reliable means of ensuring the elimination of all nuclear weapons.

A disarmament agreement must be based on something more substantial than mere promises. All nations must know (and be able to rely on that knowledge) that other nations will not continue to keep and develop such weapons in spite of their pledged word to get rid of them. We must be convinced that no nation is planning or preparing the destruction or crippling of another, and each of the nations must, by its deeds and not by mere declarations, persuade the other nations of the world that its weapons will never be used except for defence. We must have mutual trust and confidence, but it must be based on the cold, hard terms of a binding agreement under which real safeguards have been established. If the nations of the world had the faith in one another on which moral obligations without such safeguards would have to depend, they would not now be caught in the dire armaments race.

Throughout the United Nations disarmament talks the U.S.S.R. has been notably reluctant to come to grips with the question of inspection. Instead, they have frequently accused other countries of using arguments of inspection as an excuse for avoiding disarmament. We were considerably encouraged by the fact that at least in principle the Soviet attitude on controls in the last year or so had improved considerably, and I believe this was a major factor in the hopes during the past year that at least a partial disarmament agreement might be soon achieved. It was, therefore, with deep dismay that we heard in the latest Soviet pronouncement the same old contemptuous reference to the guarantees of inspection and control which mark the difference between empty declarations and serious disarmament undertakings.

I know that the deep suspicions which divide the great nations today make any agreement on inspection and controls slow and difficult, but countries which are genuinely peaceful in

their intentions, and whose armed forces and armaments are honestly defensive and not aggressive, should be able to accept this essential condition of disarmament. As my Prime Minister put it, "If you have nothing to hide, why hide it"? Canada, for example, has agreed to open its territory to whatever inspection may be mutually accepted by the parties to a disarmament agreement. We have explicitly agreed to aerial inspection of all or part of our country under a fair and equitable system for warning against surprise attack. Soviet spokesmen have rather sarcastically written off inspection of Canada's Arctic regions (included in one of the zones suggested), but this area is of course significant in this context, both as a possible route of surprise attack and as an area for a beginning of such inspection which would be free of some of the complications of more heavily populated regions.

Even if we are agreed in principle on the necessity for controls, there are innumerable questions of technical detail which would need clarification and agreement. The immense amount of work still to be done in this field was strikingly illustrated by the Foreign Secretary of the United Kingdom in his statement in the general debate when he listed many of the vital inspection questions to which we would need to find exact answers.

By the will of the United Nations, Canada has accepted the obligation to serve on the Sub-Committee in the hope of making some contribution to the disarmament problem. While the Great Powers represented on the Sub-Committee, which have the responsibility and power associated with the production of nuclear weapons, must play a decisive part in reaching an agreement, other countries, which like ourselves, do not produce such weapons, have the right and the duty to express their views on an issue which, as I said earlier, affects all mankind. To some extent, Canada, the only smaller country on the Sub-Committee, shares the point of view of the majority of member states which might be classed as middle or smaller powers. During the course of this debate we have already heard, from many delegations not represented on the Sub-Committee, thoughtful and important statements on disarmament. To name only a few, Mr. Chairman, the Delegations of Japan, Belgium, India and of Mexico in their interventions have called attention to significant aspects of this problem. We have also heard the significant statements of the Great Powers and in particular the lucid and cogent exposition of M. Moch yesterday morning.

Following the lead of some of these earlier statements, we must come to grips with the real difficulties which now beset disarmament negotiations. Recriminations and rehashing of old controversies, from whichever side put forward, are in our opinion inappropriate. The issue is too grave to furnish material for propaganda points.

In this connection, I must say that our delegation deplores certain statements contained in the speech by the Soviet representative in this Committee. They are, I suggest, unworthy of this debate. I refer in particular to Mr. Gromyko's implication in his speech in this Committee that the Western democracies were responsible for the Second World War. While I do not wish to dwell on the ill-fated German-Soviet pact which did so much to launch that war, I must say again that we consider these communist attempts to falsify history as out of place in discussion of the disarmament issue.

When we begin to examine the essential problems before us, we must face the fact that the world failed in its efforts to eliminate nuclear weapons at a time when the inspection necessary to guarantee such an undertaking presented considerably less difficulty than it does today. The distinguished representative of India has commented on the absence from the ²⁴⁷four-power draft resolution of reference to the elimination of nuclear weapons. The explanation, of course, is that this particular draft resolution deals with those limited objectives in disarmament which could be achieved at once or soon. Unfortunately the complete elimination of nuclear weapons, for which there are at present no adequate safeguards, cannot be regarded as immediately attainable. Nevertheless we have not abandoned as a goal the complete elimination of nuclear weapons. If the means of inspection adequate to guarantee such an undertaking can be devised, it would certainly be part of my Government's recommendation for a comprehensive disarmament agreement. But, I reiterate, it is not helpful to approach this goal by way of unsubstantiated declarations and unenforceable agreements such as a promise never to use nuclear weapons.

Our immediate responsibility now is to do whatever may be possible to decrease stockpiles of such weapons and to ensure the use of fissionable materials for peaceful purposes. We believe that a beginning could be made in this direction. At the same time, and I emphasize this point, constructive efforts must continue through the United Nations to reduce world tension and to solve dangerous problems as they arise and so to make certain that these weapons of terrible destruction are never used. At this point, although I do not for a moment suggest any political conditions for the first-stage disarmament plan which we espouse, we are again up against the inevitable link between progress on disarmament and progress on the other difficult international issues which divide the world. Disarmament in any comprehensive sense must go in step with settlement of these other grave international problems. Without any slackening of our efforts to make a beginning in disarmament we must also seize every opportunity for settlement of these other problems. One of the ways in which the United Nations has already made a great contribution to world peace has been the provision of neutral and impartial United Nations observation

or inspection forces in tense and troubled areas. The United Nations must be ready whenever appropriate situations arise -- and of course whenever the circumstances are favourable -- to consider further action of this kind which at the very least inhibits dangerous movements of forces and may even save the peace of the world and thus give us the time and the atmosphere in which to continue disarmament negotiations. I need hardly add that Canada has always made a full contribution to United Nations undertakings of this sort.

It has been our wish in the Canadian Delegation to participate in a constructive approach to this central question of international security, and in our participation, I repeat, we have the role of a middle power. We believe that there are many measures of disarmament which are capable of inspection and control and which would genuinely add to our security because all participating countries could be reasonably sure that other states are living up to their obligations. Among these measures are reductions in forces and conventional armaments and also agreement to provide that henceforth all production of fissionable materials will be solely for peaceful purposes. These are two of the main themes in the draft resolution before the Assembly co-sponsored by four members of the Sub-Committee and a large number of other nations.

Two other measures, included in that resolution, could do a great deal to ally our present anxieties. These are, first, a suspension of testing of nuclear weapons, particularly the largest-scale hydrogen weapons, and second, some variant of the several proposals which have been made for a system of advance warning against surprise attack by means of reciprocal air and ground inspection. The Delegation of India has tabled proposals for scientific commissions to go into some of the detailed problems of inspection and control. These suggestions merit careful examination, particularly with reference to these last two measures.

Canada is one of the sponsors of the ²⁰⁻four-power resolution I have mentioned. We urge its adoption. Nevertheless we must remain sensitive to every possibility of improving it. Let us not be inflexible. We of Canada certainly do not say that the particular proposals with which we are now associated are the only means by which at least some progress can be made towards disarmament.

The Soviet Delegation has been particularly indifferent -- even hostile -- to the proposal to use all production of fissionable material for peaceful purposes. We are at a loss to understand this Soviet objection to any cut-off date on the production of weapons from fissionable material. It seems to us strange that despite their many declarations in favour of "banning the bomb" and prohibiting its use, they are not more interested in finding a workable proposal for stopping the

manufacture of such weapons, particularly when such a proposal is preceded as it would be under our resolution by the suspension of test explosions.

Speakers in this debate have properly devoted considerable attention to suggestions for suspension of tests of nuclear weapons with suitable control posts and technical equipment in the areas where such tests have been made. The latest proposals in the Sub-Committee, which I have mentioned and which Canada co-sponsored, do provide for suspension of tests as the very first thing to be done in our plan for initial steps of disarmament. Under this plan tests could be suspended for two years. The Assembly should note that the sponsors of this proposal have made a real effort to match the proper international concern about the testing of nuclear weapons. As you are all aware, Canada does not produce nuclear weapons. Therefore, we have not ourselves conducted any of these tests. Thus, we are in this respect in the same position as the great majority of the other nations represented here. Whatever the correct view may be as to the possible harmful effects of radiation and fallout, I think none of us would want to discount the anxiety on this score felt by the peoples of all nations. However, in the present international circumstances of tension and fear, it is inevitable, unless we do something now, that the major powers will seek to augment and improve their weapons, and this involves tests. While we are certainly not opposed to any fair and reciprocal measures to be taken as soon as possible with respect to tests of nuclear weapons, we are also convinced that some more fundamental action must also be agreed upon and must be taken.

We all have this much in common, that we share an interest in survival. Let us then so order our endeavours that we may ensure that the engines which are capable of putting our survival in hazard are made the servants and not the masters of man. But if the wonderful devices for harnessing the forces of nature which science has contrived are to be used to alleviate and not to increase human misery and destitution, we must organize political machinery which will direct these discoveries into the ways of peace. I cannot believe that this is a simple matter which can be done by the stroke of a pen or the passage of a resolution. But I am convinced that such an achievement is within our capacity and within our grasp.

Mr. Chairman and members of the Committee, I ask seriously this question. What is the alternative? Are we once again to end our discussions in deadlock? We should ask ourselves, each of us, have we all really faced up to the meaning of this for the peoples of the world -- for all mankind? Prime Minister Diefenbaker, in participating in the general debate, concluded his statement with the heartfelt wish that this Assembly might become known in future years as the Disarmament Assembly. My final words is a plea directed primarily to the

Great Powers, which must bear the main responsibilities, for at least a beginning in actual measures of disarmament. Canada has co-sponsored plans for partial disarmament but, I repeat, we do not regard them as necessarily the last word. Further negotiation in the interests of world peace is the bounden duty of all of us. At the beginning the experience gained and the confidence created by our first steps in disarmament -- however limited -- could lead us on towards our goal, which is the elimination of nuclear weapons. The stake is the very survival of the human race.

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No. 57/40

SYRIAN SITUATION

Statement by Mr. Wallace Nesbitt, Vice-Chairman
of the Canadian Delegation, in the plenary
meeting of the United Nations General Assembly
on October 30, 1957.

The Government and people of Canada have been watching with increasing concern the developments during the past few months in the Middle East and particularly the situation in and around Syria. Earlier this year we were encouraged to believe that we could look for an improvement in conditions in the area. We have been deeply gratified, as the Canadian Prime Minister indicated in the general debate, that the United Nations has had some measure of success as a calming influence in some parts of the Middle East. In these circumstances our concern about recent developments is given greater emphasis.

Like others in this Assembly Hall, the Canadian Delegation has followed with careful interest the course of the debate on the item submitted by the Government of Syria. In listening to the statements made by representatives of those states more directly concerned with the matter, we have been able to shape our opinions about what action, if any, the Assembly should take.

In the first place, we were not opposed to having the item raised in the Assembly. We shared the opinions of those delegations which have argued that the Assembly may discuss any questions related to the maintenance of international peace and security and we would not quarrel with the view that any member state, but particularly the smaller states, should be entitled to bring to the attention of the United Nations any cause of anxiety about its security and independence. Our assumption would be that the state concerned would be the best judge of where its best interest lay in a matter of this kind, but that in seeking assistance from the United Nations the interested government would act with responsibility and moderation. We have frequently expressed in this Assembly our belief that the United Nations will grow in strength and stature if we, as member governments, are prepared to heed the appeal of nations -- and this applies with perhaps greater force among the smaller nations--- who seek here to establish order in their relationships and on a basis of peace and justice.

Having said this, however, I would not wish my remarks to be interpreted as meaning that the Canadian Delegation believes that the complaint of Syria on this occasion is well-founded. It is evident that the Government of Syria views the situation along its borders with anxiety and concern, but for our part we are satisfied that the Government of Turkey has not behaved, and has no intention of behaving in any sense, in the irresponsible manner suggested in the explanatory memorandum submitted with the Syrian item, and in the statement of the distinguished Foreign Minister of Syria during this debate. In this connection I should like to endorse what the distinguished representative of the United States had to say on Friday about Turkey as a loyal member of the United Nations.

On several occasions during the course of this debate, the Assembly has heard the solemn assurances of the Government of Turkey about its intentions. We believe that these assurances are entitled to receive our respectful attention. The distinguished representative of Turkey has given some account of the anxiety which his government and his people have been experiencing because of recent developments in neighbouring countries. These comments from the representative of Turkey are surely relevant to our discussion here and particularly in view of the violent remarks which we have heard from the distinguished Foreign Minister of the Soviet Union.

Our intention at this time is not to engage in polemics or propaganda, but we cannot fail to note the lack of restraint which has characterized the statements of the Soviet Delegation during this debate. These have led us to question the motives and intentions of the Soviet Government in supporting the complaint of Syria. The Canadian approach to this item would be to deal with it calmly and constructively and we therefore deplore utterances here and statements elsewhere which, through their very lack of restraint, tend to aggravate not only the debate in this Assembly, but the situation in the area. However, in saying this, we are fully aware that unwarranted charges and accusations cannot be left unanswered, as the distinguished representative of the United States made clear in his intervention on October 25.

It was emphasized in the General Committee that the Syrian item involved a situation which all members of the United Nations should try to discuss in an atmosphere of calm and confidence. We regard this as good advice. We believe too that the Assembly would be wise to consider this matter carefully with a view to bringing about a reconciliation, rather than an intensification, of conflicting views. In other words, we should seek to allay any apprehension and anxiety which might prevail in the states immediately concerned. By doing this, we would help to allay those wider anxieties which naturally stem from deterioration of the situation in the Middle East. We have been happy to see that others share our preference for a constructive approach to the Syrian item.

In these circumstances we warmly welcome the generous initiative of His Majesty King Saud because clearly His Majesty's main interest has been to ease undesirable tensions between two neighbouring states. It would be our view that the distinguished ruler of a third Middle Eastern state could effectively lend good offices to a situation of this kind. It would be entirely consistent with the Charter of the United Nations if the Syrian complaint, which has brought into sharp focus serious charges and counter-charges, as between Syria and Turkey, were to be dealt with through regional processes. If we interpreted his remarks correctly, we understood the distinguished representative of Afghanistan to express the same view in his thoughtful and welcome statement of October 22. We have no doubt that this opinion is shared by many other delegations in this Assembly.

The Assembly should note with approval, we suggest, the repeated assurances and practical demonstration that the Government of Turkey has been fully prepared to accept the worthy offer of King Saud. It is surely incumbent on all member states to explore fully all channels of negotiation, mediation, conciliation or other peaceful means for resolving their differences. As we see it, the Government of Turkey has acted in accordance with its Charter obligations in the response to the initiative of His Majesty King Saud. We have been informed that this offer still stands. We hope we are right in assuming that the Government of Syria has not rejected it. The Canadian Delegation joins with others who have urged the Syrian authorities to weigh carefully the advantages of accepting the offer. Because of the uncertainties of the moment, we believe that the Assembly should be prepared to consider as well other means of dealing with the situation. In consultation with other delegations, and in the light of views expressed during this debate, we have reached some conclusions about a possible course of action.

If, for whatever reason, the parties are unable to agree to avail themselves of this regional process for settling the present matter, there are other means, as implied in the Charter. Several speakers in this debate have suggested that the Secretary-General, acting within the scope of the responsibilities given to him in the Charter, might be able to assist the parties to reconcile their differences and in this way to bring about an easing of tension, a situation of quiet. We have no hesitation in supporting that suggestion and in commending it to the Assembly and to the parties concerned.

In doing so, we have no wish to circumscribe the kind of action which the Secretary-General might take to achieve the aims I have mentioned. With the goodwill and co-operation of those most concerned and in the relaxed atmosphere which should prevail now that the situation has been fully aired in the Assembly, the Secretary-General should be able to make a helpful contribution.

I wish only to emphasize that the Canadian Government has complete confidence in the Secretary-General's diplomatic skill and patience. As we all know, he is no stranger to the political conditions which exist in the Middle East. We are sure that governments in the area share our appreciation of the Secretary-General's helpfulness during difficult negotiations. Accordingly, we believe that it would be wise not to tie the Secretary-General's hands in this matter but to allow him the opportunity, consistent with his responsibilities under the Charter, to explore the situation fully with the parties and with such others as may appear useful, all in order to bring about an easing of tension in the area.

It was for these reasons that the Canadian Delegation joined with others in co-sponsoring the draft resolution which has been introduced in the Assembly this morning. I need not describe the proposal because the document is self-explanatory and because it has been ably explained by the distinguished representative of Japan. I wish only to underline that our joint proposal is not in any sense a preferred alternative to, nor a move competitive with, the other efforts which have been made to deal with the present matter. On the contrary, and as I have indicated in this statement, we regard those efforts as highly commendable.

In these circumstances we urge that if those other efforts should prove unavailing, the "United Nations diplomacy of reconciliation", mentioned in the introduction of the Secretary-General's annual report, be permitted to take effect. What the Canadian Delegation has been looking for in this debate is an improvement in the actual situation, a means of making progress. We are confident that the approach which we and others have supported will serve those ends. We earnestly hope that this is the view of the great majority of delegations here.

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No. 57/41

"CANADIAN OUTLOOK -- 1957"

Speech by Mr. Donald M. Fleming, Minister of Finance of Canada, to the Canadian Society of New York, Friday, November 1, 1957, on the occasion of the Annual Maple Leaf Dinner of the Canadian Society.

I deem it a high honour to be invited to be your guest and speaker on the occasion of your Annual Maple Leaf Dinner. The Canadian Society of New York is well known and deservedly esteemed in Canada. It is fortunate for Canada that men with Canadian blood in their veins and the love of Canada in their hearts should have founded this Society in 1896 for the two-fold purpose of fostering understanding and promoting friendship between Canada and the United States and also to provide assistance to any worthy Canadians in New York who may have fallen into straitened circumstances. I am glad to know that the latter phase of the Society's activities has imposed little or no burden upon its members.

Since a large proportion of your membership is drawn from leaders in the banking and investment business of this great metropolis, I have chosen for my remarks a theme touching on the economic life of Canada and in particular Canadian economic relations with the United States of America. My subject is "Canadian Outlook - 1957".

March to Full Nationhood

As the world measures time, Canada is a young nation. But ninety years ago the Dominion came into being. It was then a confederation of only four provinces; today it spans the north half of this continent and embraces ten provinces. Its march to the west, to the north and last of all to the east, with the accession of Newfoundland in 1949, was not achieved without the expenditure of blood, toil, sweat and tears. It is a proud record of statesmanship, vision and courage. It compares with any record of nation-building in history.

Two great races linked together their loyalties and labours to build this nation. Enemies of old, they have achieved a common destiny on the broad, fair soil of Canada and have given to her the incomparably rich heritage of two cultures. Intolerance and enmity would have denied Canada this destiny; good will triumphed over these divisive forces. Canada owes its creation and existence as a nation to the spirit of tolerance and mutual respect among men of different tongues, cultures and creeds. Unity and uniformity are not the same thing, and Canadian unity is not and never will be based upon uniformity.

With these two principal racial strains has been mingled in more recent times the blood of men from many other lands. The Canadian family has been strengthened by their inclusion; the Canadian culture has been enriched by their contributions.

The march of Canada to full nationhood is as notable a record as her physical march to expanding frontiers. Her assumption of the attributes of nationhood reached its climax when in 1919 the wartime Prime Minister, Sir Robert Borden, signed the Treaty of Versailles on behalf of His Majesty in the name of Canada. It was the first time that Canada had entered into an international treaty in her own right and her own name. It is said that as Sir Robert signed that historic document his eyes filled with tears and he remarked that he felt that he was signing the treaty in the blood of 60,000 young Canadians who had given their lives in the Great War.

From that point forward Canada has gone forward to achieve an ever-increasing measure of recognition in the eyes of the world. To this end have contributed various factors — her resources, the part she has played in the evolution of the Commonwealth of Nations, her close relationships with the United States of America and the fact that historically she has had nothing to live down. The world's recognition has given Canada great opportunities. It has also brought to her vast challenges.

Considering their relatively small population Canadians are an outward-looking people to a degree not exceeded by any other nation in this hemisphere. The fact that we are a young nation has not meant that we are an immature people. Our external policy is built upon four bases — our memberships in the Commonwealth of Nations, the United Nations and NATO, and our very close, almost unique, relationship with the United States of America. Our attachment to these four bases is strong and solid. Withal, Canadians are a sturdy, self-reliant people who cherish their independence.

The Canadian population today numbers 16½ million. In geographical extent we are the second largest country in the world. In our soil is a vast storehouse of nature's bounty. What appeared some years ago to be gaps in Canada's natural endowment have been filled in over-flowing measure by the discovery in recent years of vast deposits of oil, natural gas and iron ore. We possess in abundance the five known sources of energy: water power, coal, oil, natural gas, uranium. We are a major world supplier of forest products and metals. Canada produces over 90 per cent of the world's supply of nickel. We are blessed with tremendous resources of copper, lead, zinc, asbestos, uranium, titanium and other much-sought metals. Nature has been good to us. The opportunity to develop these resources is a challenge to Canadians of this generation and will likewise be a challenge to generations yet unborn.

I would not have you think that we have no troubles. No land in this imperfect world could pass through Canada's experience of development without growing-pains. I have no intention of ignoring these problems or their causes. Indeed, I shall avail myself of the opportunity of speaking frankly of them tonight. I indicated earlier that in these remarks I would speak of Canada's economic relations with the United States. It is one of the blessings of the extraordinary and cordial relations which exist between Canada and the United States that we can speak to each other in the most candid terms, without endangering, not to say rupturing, good relations between us and our sense of mutual confidence. Opportunities of this kind are given only to those who are the best neighbours in the world.

Relations with United States

Respecting economic relations between Canada and the United States I do not wish to weary you with platitudes. Let me, however, set in perspective what I shall later say by declaring the recognition and appreciation by the Canadian people of the manner in which the United States has risen to the tests, the exactions, as well as the challenge of world leadership. The generosity of this nation in sustaining other nations in these post-war years is without parallel in history. I traversed free Europe in 1948. What I saw there left no room for doubt that Marshall Plan aid saved Western Europe.

We are your allies in NATO. Canadian forces in the Second World War were proud to serve under the supreme command of that great man who is today the President of this nation. Canadian forces served side by side with United States forces in Korea under a Supreme United Nations Commander who was an American. Canadian forces are today standing on guard side by side with the forces of the United States in Europe under the supreme command of the NATO Commander-in-Chief who is an American. Recently the new Canadian Government and the United States Administration took a major step

in the unification of the air defence of this continent in the creation of a Joint Air Command, with an American in command and a distinguished Canadian Air Marshal as his deputy. This most significant decision is indicative of our confidence in the American nation and our recognition of our interdependence.

In the same spirit we hail the joint statement issued in Washington last week by President Eisenhower and Prime Minister Macmillan. We welcome it as a recognition of the interdependence of the free nations. In the kind of world in which we live no one country, however strong, can now stand alone. We salute the growing understanding evidenced between this country and the United Kingdom. The free West has had reason to feel insecure in the face of misunderstandings in past years. The growing proof of renewed solidarity augurs well for freedom. It will not be easy to achieve or maintain scientific superiority without a mingling of effort and understanding on the part of the United States, the United Kingdom, Canada and other faithful allies.

To this gratifying rapprochement between the United States and the United Kingdom I am sure the recent visit of Her Majesty the Queen has made a formidable and lasting contribution. Her Canadian subjects are completely devoted to her. She captured the love and loyalty of the entire Canadian nation by her charm, by her stern sense of duty and by her complete devotion to her people. It is a notable fact, not to be overlooked, that her visit to this country was in her capacity as Queen of Canada.

Trade Problems

I said I would not deny the existence of problems facing Canada. I said I would be frank in speaking of relations between Canada and the United States. Let me now proceed to speak of less agreeable facts.

Canadians are a trading people. In absolute volume, we are the fourth trading nation in the world, ranking only after the United States, the United Kingdom and West Germany. Per capita, Canadians have probably a larger share of the external trade of the world than any other nation. In volume, our external trade is running at approximately ten and a half billion dollars per annum. This remarkable achievement of 16½ million people, however, does not hide serious weaknesses in our trading position. Of that 10½ billion dollars of annual external trade, 7 billion dollars of it is done with one nation, the United States. To a disquieting degree Canada has placed her trading eggs in one basket. For years 73 per cent of Canada's imports from the world have come from the United States while 60 per cent of our exports have gone to the United States. By comparison, with our next largest customer, the United Kingdom, we do only about 14 per cent of our total external trade. From her we are purchasing approximately 10 per cent of our

imports; to her we sell approximately 18 per cent of our exports. The Canadian economy has to a dangerous degree been made vulnerable to sudden changes in the economic climate of the United States and trading policy at Washington.

Another serious weakness in Canada's trading position is our heavy imbalance in commodity trade. Last year Canada incurred a deficit of \$848 million in her commodity trade with the world. This was due entirely to a huge imbalance in our commodity trade with the United States. Last year Canada purchased \$4,167 million worth of goods from the United States but the United States purchased from Canada only \$2,819 million worth of goods. Thus, on commodity trade with the United States, Canada incurred a deficit of \$1,348 million. It is true that part of this amount represented the import of capital goods into Canada and that these will swell Canadian production. This fact, however, cannot hide a chronic condition of imbalance of trading between these two countries with the selling advantage resting always with the United States.

I have spoken of commodity trade. If one looks at the entire current account the situation is even worse. In 1956, on current account transactions, Canada incurred a deficit of \$1,640 million with the United States. The prospect for 1957 is for an even larger deficit for Canada. In the first six months of 1957, Canada's current account deficit with the United States amounted to \$1,003 million.

Canada is by far the best customer of the United States. Last year the United States sold to Canada approximately the same amount as it sold to all Western Continental Europe; more than it sold to all Latin America combined; nearly double what it sold to the whole sterling area, including the United Kingdom. I would not argue that trade could or should be balanced bilaterally; indeed, Canada itself has always had substantial surpluses in its trade with some countries and deficits in its trade with others. I do contend, however, that, in the face of the large advantages which the United States derives from its trade with Canada, the United States has a special responsibility not to damage Canadian export opportunities and to adopt an understanding attitude in cases where Canadian policies touch particular United States interests adversely.

I would argue, furthermore, that the United States ought to modify policies which impede Canadian sales to the United States. Canada's purchases from the United States to a considerable measure comprise finished manufactured goods. The nature of the United States tariff, however, not unlike others, is such as to discourage the importation of finished products. Much of the total of Canada's sales to the United States consists of raw industrial materials. While we Canadians are glad to have a market in the United States for much of our surplus production of industrial raw materials, we are not content merely to dig these materials out of our soil for export to other countries to be fabricated there

into finished products, many of which we are then invited to buy back. We should like to see the United States Administration and Congress take serious account of the heavy imbalance of the trade between these two countries and also of the way in which United States policies are excluding Canadian finished products from the United States market.

I would not wish to leave the impression that the United States freely admits all our raw products. Our Canadian farmers have been hurt by United States restrictions of imports of Canadian wheat, flour, rye, cheddar cheese, dried skimmed milk, dried buttermilk, flaxseed and linseed oil. It is not long ago that the United States restricted also imports of our barley, barley malt and oats. Now we are faced with the threat of increased United States tariffs against our zinc and lead. Canadians cannot fail to be deeply disturbed at this prospect.

It is true that in self-defence we have had to protect Canadian producers of a limited list of agricultural products from imports that threatened their livelihood, but there is such a vast difference in the size of the economies of the two countries that the disruption of traditional trading channels has a much more severe effect on Canada than the United States.

The trade between Canada and the United States is the largest carried on between any two countries in the world. It means much more to Canada than it does to the United States. In total that trade is the equivalent of 22 per cent of the gross national product of Canada; it is less than 2 per cent of the gross national product of the United States. It is understandable, therefore, that the trade between the two countries should appear to Americans to be of less consequence than it appears to Canadians. By the same token the United States, by adverse trade policies, can harm Canada much more than Canada can harm the United States by pursuing policies adverse to United States interests. May we not hope that by co-operation and consultation we can together find some better way of meeting our very real farm problems than by following any "beggar-my-neighbour" policies.

In the light of the facts I have mentioned and to remedy the basic weaknesses in the Canadian trade position we are seeking to expand trade with the United Kingdom and to purchase where economically possible from Commonwealth sources goods now imported from the United States. We consider that the facts of the situation and the policies followed by Washington impose this course upon us.

Surplus Disposal Policies

I said that I contend that the United States has a special responsibility not to damage Canadian export opportunities abroad. The fact is, however, that the agricultural products surplus disposal programme of the United States has very seriously damaged Canadian trading interests and disorganized normal marketing. The Canadian Government is compelled to take a very serious view of

these results and the policies which have created them. At the recent meeting in Washington of representatives of the governments of both countries, we were obliged to register a strong protest against these policies. The United States Administration gave the Canadian Ministers assurances that in all surplus disposal activities they intend to avoid so far as possible interfering with normal commercial marketings and that the barter programme will hereafter be limited. While appreciating these assurances, the Canadian Government, however, is far from satisfied, and will continue to regard with an anxious and apprehensive eye fire-sale disposal policies. We regard them as a breach of both the letter and the spirit of the General Agreement on Tariffs and Trade.

U. S. Investment in Canada

I turn now to a subject upon which a certain degree of misunderstanding appears to have existed in the United States. It concerns the attitude of the Canadian Government with respect to foreign investment in Canada.

Canada is currently the world's largest importer of capital. Canada needs capital to develop our resources. Capital from abroad has not been slow to see and grasp the glowing opportunities offered for investment in the development of Canada's resources. Foreign capital has been entering Canada this year in record volume. The United States has been the principal contributor, but Great Britain, Western Germany, and other countries have also been swelling the total. Canada's net indebtedness to foreign investors now exceeds ten billion dollars. Gross investment in Canada from abroad exceeds fifteen billion dollars. Nearly twelve billion dollars of this total is owned in the United States. Approximately 2 3/4 billion dollars is owned in the United Kingdom, and over one billion dollars in other countries, chiefly Western Europe.

We welcome the investment of capital from abroad. We recognize the important role which has been played by capital from abroad in the development of our resources and also in maintaining the momentum of the Canadian economy. As firm believers in the free enterprise system we intend to continue to create a climate favourable to investment from abroad.

It would be quite impossible to sustain the heavy commodity import deficit which Canada is now incurrning in its trade with the United States were it not for the heavy inflow of American capital into Canada. We have been asked to regard this capital inflow as "offsetting" the deficit in our trade with the United States. This argument overlooks the fact that in the course of this type of exchange we Canadians are increasing the mortgage upon our assets.

It is with regret that I say to you that the policies followed by some American investors in Canada have given rise to strong feelings of irritation. Many, perhaps even most, American

corporations which have invested in Canada have made a genuine and successful effort to be Canadian and to act in that spirit, but there are many others which through either thoughtlessness or for other reasons, and in some cases perhaps as a result of deliberate policy, have created Canadian resentment. I refer in particular to the policy of some very large United States corporations of establishing subsidiaries in Canada and denying to Canadians any opportunity whatever of participating in the ownership of stock in such companies, especially when they are engaged on a large scale in the development of Canadian resources. We have sought by the creation of tax inducements to encourage such corporations to admit investment by Canadians in the stock of these Canadian corporations. We often hear complaints as well that in such relationships the United States parent corporation often excludes the Canadian corporation from selling its products in certain markets and controls the purchasing policies of the Canadian subsidiary in a manner which consciously diverts its buying away from Canadian sources. We also hear complaints that inadequate efforts are made to train Canadians for advancement to executive status, and that the Canadian subsidiaries are also sometimes unnecessarily discouraged from engaging in research. These policies of which Canadians complain cannot be cured by any action on the part of the United States Administration. Indeed, I am quite certain they are disapproved of by the Administration of this country. I bring them before you in the hope that in doing so we may assist American investors in understanding the feelings of Canadians in such matters. They are the same feelings as would be entertained by Americans if the positions were reversed. In the interests of good public relations more careful thought should be given to these aspects of investment and management policy.

Conclusion

The coming months will be eventful for trading and economic relations between Canada and the United States. The Trade Agreements legislation will be coming before Congress for renewal. We shall also know the terms upon which the General Agreement on Tariffs and Trade can be renewed. I do not need to tell you that Canada will be watching the development of policy at Washington with the closest possible interest.

I have spoken frankly, as only friends can do. It is because Canadian trade and economic relations with the United States are so important to us that I have laid such stress upon matters that give the Canadian Government and the Canadian people deep concern.

These two countries have a responsibility to be an example to the world. They cannot fail in their common duty to build bridges of understanding and good will. We Canadians give our testimony to the world that we are the free and willing allies

of the United States. We respect each other. As governments we do not attempt to interfere with each other. We talk together as neighbours in the friendliest spirit and the frankest terms. Let us bend our united endeavours to remove as far as possible source of irritation between us.

We Canadians are mindful of the gigantic burdens of world leadership borne by the United States. We wish to see this nation strong, ready, and able to meet the tasks and burdens which destiny and the cause of freedom have laid upon her. In Canada she will always find a staunch, co-operative and understanding friend.

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STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 57/42

CANADA'S VIEWS ON UN TECHNICAL ASSISTANCE PROGRAMME

Statement by Mr. Benjamin Rogers, Canadian Representative on the Second (Economic and Financial) Committee of the United Nations General Assembly, November 5, 1957.

My country, Canada, is a member of the Economic and Social Council. I might have contented myself with renewing Canada's support for the decisions taken in the past year by the Economic and Social Council, which are reflected in the documents before us. I think, however, that I should explain something of the background to the positions on technical assistance problems which my delegation has taken in the past and will doubtless take in the future, and I should like to make a few suggestions on specific subjects.

In the first place, my delegation would like to pay tribute to the work of the Technical Assistance Committee under the distinguished chairmanship of Mr. Janos Stanovnik of Yugoslavia. The Technical Assistance Committee during 1957 has dealt expeditiously and fairly with a number of difficult problems and has made an important and constructive contribution to the development of United Nations technical assistance programmes. In this connection, special mention should be made of the work on the Committee of the six additional members elected in 1957 for two- or three-year periods: Czechoslovakia, India, the Sudan, Sweden, Switzerland and Venezuela.

The central problem facing the technical assistance programmes of the United Nations has been forcefully brought to our attention by Mr. David Owen, of the Technical Assistance Board, and by Dr. Keenleyside, of the United Nations Technical Assistance Administration. This problem can briefly be stated as that of reconciling the increasing demands that are being made on the expanded programme of technical assistance with the resources which are not increasing and may even be decreasing.

There are two separate ways of dealing with this situation. One method already being pursued by the Technical Assistance Committee and the Economic and Social Council is that of appealing to governments to increase their financial contributions to the programme. The Canadian Delegation certainly believes that it is useful and desirable to bring to the attention of member governments the problems and requirements of the Expanded Programme of Technical Assistance in relation to the urgent needs of the less developed countries. It should be recognized, however, that by themselves appeals for additional funds do not necessarily represent the most constructive action which the Second Committee and the Economic and Social Council can take in relation to the dilemma that I have already mentioned. The Economic and Social Council has already requested the Technical Assistance Board, and invited participating governments, to suggest measures which would make it possible to implement a larger programme. No matter how much money governments contribute to the expanded programme the total available resources will always be less than the demands to be made on them. In these circumstances the remainder of my statement will be devoted mainly to a consideration of how the present available resources can best be used. We believe that, in our discussions in this Committee, emphasis should be placed on this aspect of the question.

Before complying with my own prescription, Mr. Chairman, I should like to refer briefly to the support which the Canadian Government has given and continues to give to the Expanded Programme. This support was reaffirmed on United Nations Day this year by the Prime Minister of Canada, the Right Hon. John G. Diefenbaker, who stated: "The very important but often unheralded economic and humanitarian aspects of United Nations work are an excellent example of the forward strides which can and have been made. Outstanding in this field is the aid to under-developed countries which has been given through United Nations programmes of technical assistance, and the advances in social and physical well-being which have been achieved throughout the world by the Specialized Agencies."

The Canadian Delegation to the Eighth United Nations Technical Assistance conference announced that, subject to Parliamentary approval, the Canadian contribution for 1958 would be of the same order as that for 1957. The Canadian contribution for 1957 to the Expanded Programme was 2,000,000 United States dollars, fully convertible in every respect, which was placed entirely at the disposition of the Technical Assistance Board. This was the third largest contribution, being exceeded only by those of the United States of America and the United Kingdom.

Now, Mr. Chairman, I should like to turn to a consideration of how available resources can best be utilized. In Mr. Owen's statement our attention was drawn to the effective co-operation which has been established between the Expanded Programme of Technical Assistance and other programmes of economic aid. Members of this Committee will recall that my delegation has always believed

that such co-operation should be encouraged. The resources of the Expanded Programme of Technical Assistance will certainly not be used to the best advantage if the Expanded Programme is operated without taking into account other programmes of economic aid. Of course, the primary responsibility for co-ordination of United Nations programmes and other programmes rests with the receiving countries themselves. This was emphasized in ECOSOC Resolution 659(XXIV). The Canadian Delegation believes that the action which the General Assembly and ECOSOC have taken to encourage effective co-ordination of United Nations programmes and other programmes of economic aid will continue to be of great benefit to the under-developed countries. As the distinguished delegate of Ghana mentioned in his intervention on the report of ECOSOC, the United Nations has an important responsibility to ensure that duplication of effort does not result in the wasting of scarce economic aid resources. The Canadian Delegation looks forward with interest to the report which the Technical Assistance Board will be presenting to ECOSOC at its 26th Session on the correlation of "the resources of the Expanded Programme with other programmes of economic and technical assistance in over-all integrated economic development programmes".

In his important contribution to our debate The Netherlands representative mentioned another aspect of this question of co-ordination. He referred to the need of avoiding any confusion between technical assistance and capital assistance. The Canadian Delegation has always listened with great interest to anything which The Netherlands Delegation says on the subject of economic development or indeed on any other subject. On this particular point, however, we must suggest a somewhat different emphasis. As the countries in this Committee from South and South-East Asia are aware, Canada has been a strong supporter of the Colombo Plan since its inception. In fact, Prime Minister Diefenbaker announced in the Canadian House of Commons on October 22 of this year that, subject to the approval of Parliament, Canada will provide 35,000,000 dollars of assistance under the Colombo Plan in 1958. In the operation of this programme it has been the Canadian experience that it is most important for both technical and capital assistance to be closely related. Many capital assistance programmes could not be undertaken if technical assistance programmes had not prepared the way. Furthermore, it is difficult and, in our experience, undesirable to maintain a rigid distinction between the technical and capital assistance. In many specific examples it is difficult to classify particular projects. For example, is the equipment to be provided in support of a technical assistance expert to be classified as capital assistance or technical assistance? In a real sense it does not matter. What does matter is that the total volume of economic aid available be used in the most efficient possible ways. Therefore, my delegation does not find it possible to separate technical assistance and capital assistance into rigid categories and indeed we feel that only by closely relating them can the best possible results be achieved.

Mr. Chairman, I was struck by the comments, made by the distinguished representative of Mexico on November 1, concerning the need for concentrating the use of the resources available for technical assistance under the United Nations. In this connection I may say that the Canadian Delegation supports the decision of the Technical Assistance Board subsequently approved by the ECOSOC further to consider the expansion of technical assistance activities under the Expanded Programme in Europe before any new programme was recommended. As the distinguished delegate of France has already noted, this provisional decision was taken as a temporary measure and without prejudice to the basic principles governing the programme. In general, however, the Canadian Delegation believes that any concentration which is achieved under the Expanded Programme of Technical Assistance should be a concentration of subject and that, far from concentrating its resources geographically, the Expanded Programme should make its services available to countries and territories that need those services, without geographical restrictions or limitations.

Our Mexican colleague was, however, referring particularly -- if we understood him correctly -- to the importance of concentrating the resources of the Expanded Programme on particularly useful and important subjects and activities. He correctly noted, of course, that these subjects and activities would have to be chosen by the recipient countries themselves under the terms of the country programming procedure. I think that it might be desirable for the Technical Assistance Committee to study the possibility of suggesting to member governments that their requests for technical assistance be concentrated on subjects and activities for which the United Nations programmes are particularly well qualified to provide assistance. For example, it may be that some countries would like to concentrate United Nations technical assistance on developing and establishing their over-all economic development programmes. Other countries might wish to emphasize the development of natural resources; still others, industrial development. Some governments might wish to concentrate United Nations assistance on the provision of assistance in the field of public administration. In effect, our Mexican colleague suggested that, whatever, the subject, the resources for the Expanded Programme might be better used if concentrated somewhat more than at present. It is obvious in this as in other programmes that an attempt to do everything well is likely to result in failure to do anything well. Perhaps the Technical Assistance Committee could study this question.

The Canadian Delegation has been most interested to see that the distinction between donors and receivers under the Expanded Programme is rapidly disappearing. This is a tendency which we are sure all governments support. All countries, no matter how great their own general needs for technical assistance may be, have some particular background of experience which may be useful to other countries. Particularly within the various regions there is no doubt that an exchange of experience can bring great benefits. Even those countries now facing serious economic

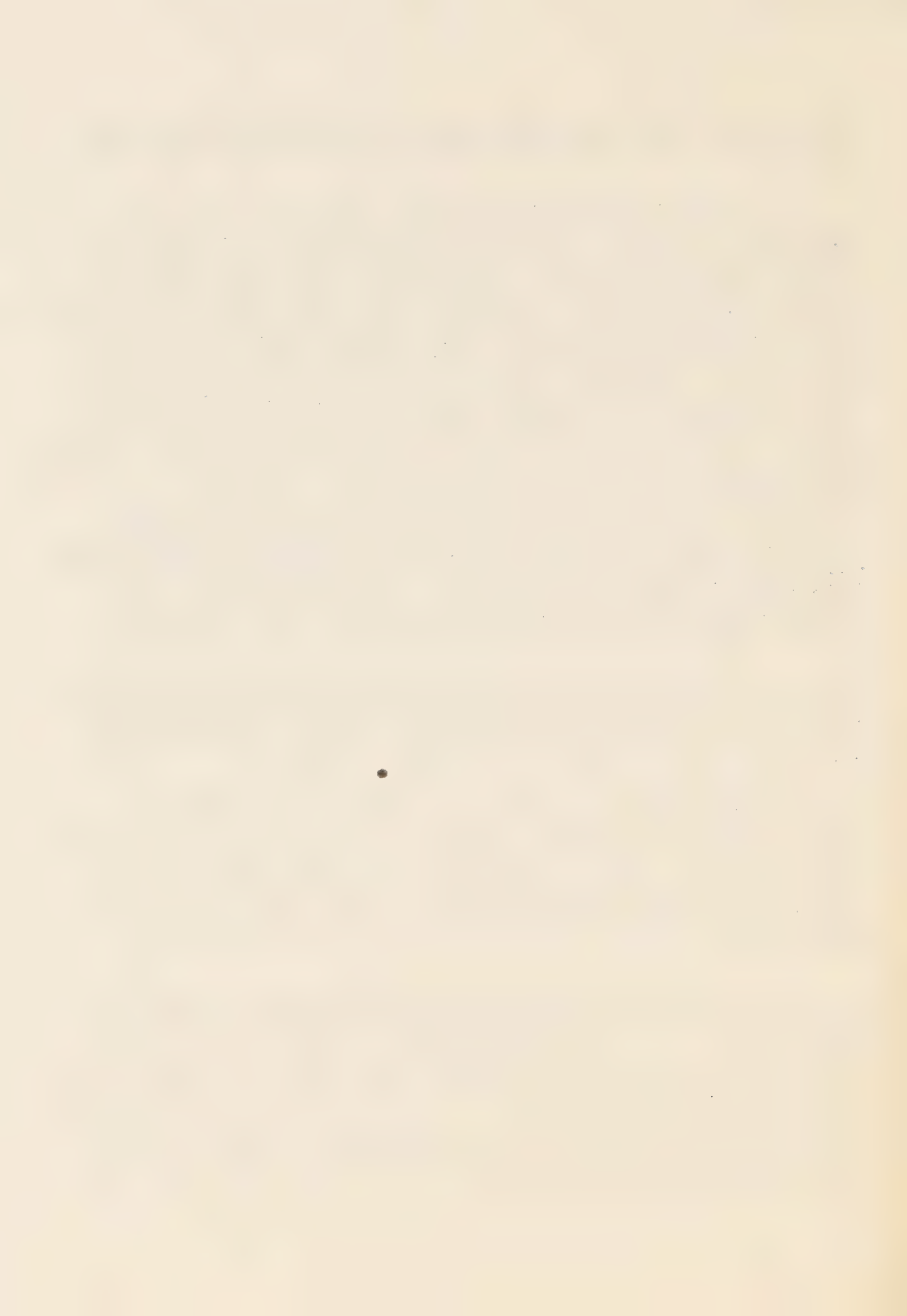
difficulties may at the same time have experience or training facilities in some particular field which they can share with others.

Another important development which the Technical Assistance Committee will be studying further is the so-called Burma Plan. The development of the Burma Plan is perhaps the highest form of compliment which can be paid to the Expanded Programme of Technical Assistance. What this development means is that countries which have foreign exchange resources of their own for economic development find it cheaper and more effective to use these resources through the machinery of the Expanded Programme of Technical Assistance than to do so in some other way. It is entirely possible that the government of a country in Latin America, for example, wishing to hire an expert from Europe, should use the services of the Expanded Programme, which has recruitment offices already operating in Europe with considerable experience in finding and locating the right type of individual. Similarly, governments wishing to send students abroad may find great advantage in consulting the technical assistance authorities of the United Nations concerning the most suitable training institutions in other countries of the world. This type of service is certainly a valuable feature of the Expanded Programme of Technical Assistance. It is available to the underdeveloped countries if they desire to use it.

There is a whole series of specific problems already mentioned in this debate on which I now propose to comment very briefly. My delegation's position on most of these questions is set forth in greater detail in the summary records of the Proceedings of the Technical Assistance Committee.

(1) My delegation supports the Netherlands suggestion that in future the General Assembly discuss the UNTAA programme and the Expanded Programme of Technical Assistance as separate sub-items of the over-all technical assistance item. We consider, however, that the Technical Assistance Committee is the appropriate body for detailed study of the UNTAA programmes as part of its general responsibility for technical assistance under ECOSOC.

(2) Our Mexican colleague has already mentioned problems connected with the creation of the United Nations Atomic Energy Agency. The Canadian Delegation believes that technical assistance in the field of atomic energy should be related to other forms of technical assistance provided by the United Nations and the specialized agencies. It is not yet clear exactly what form the relationship should take but, whatever the results of current discussions may be, an effort should be made to avoid duplication of administrative machinery already existing under the Technical Assistance Board.



(3) A number of suggestions have been made for improving the use of experts under the expanded programme. The Netherlands practice of providing junior experts to assist senior experts is certainly worthy of further study. Similarly, it is clear, as our Mexican colleague has suggested, that short-term experts uninformed concerning the general economic and cultural condition of the country they are trying to assist cannot be very successful. Dr. Keenleyside's initiative in promoting the use of short-term high-level experts for particular projects on the other hand is well worth our support. It will be interesting to see how this proposal develops.

(4) The Canadian Delegation takes a position on the out-posting of programme officers of the UNTAA very similar to that of the Netherlands Delegation. In general, the Canadian authorities consider that it would not be desirable to establish regional technical assistance administrations. We have great respect for the advances in administrative efficiency which have been made under the direction of Mr. Owen and Dr. Keenleyside. We believe these advances can be continued. We are not sure, however, that the answer to current administrative problems is the creation of regional headquarters with much the same functions as United Nations headquarters. In the meantime, however, it is clear that there are advantages in continuing the present experiment in Latin America until its usefulness can be assessed.

(5) The Canadian Delegation believes that there should be a continuance of the current evaluation practices. Without these it will not be possible to discover what changes should be made in the operations of the Expanded Programme.

(6) Another major problem before the Technical Assistance Commission and the Fifth Committee of the General Assembly is that connected with the administrative and operational costs of the Expanded Programme and how they are to be met. The Canadian Delegation hopes that some over-all solution to this problem can be found, and that in the meantime no hasty action by any particular specialized agency will be taken which might make it difficult to arrive at a final decision.

(7) My delegation was most interested by Dr. Keenleyside's and by Mr. Owen's emphasis on the usefulness of the United Nations in providing help in the field of public administration. We look forward to further study of the Secretary-General's proposal for the provision of administrators to be employed in national administrations. It may well be that a useful new type of technical assistance programme will emerge from this consideration.

(8) Finally, my delegation would strongly support the position taken by the French Delegation that it is undesirable for ECOSOC or the General Assembly to pass resolutions concerning technical assistance for a particular country. It has

been our experience that this type of resolution has been neither useful nor desirable: it does not increase the amount of assistance available, and may well arouse hopes which cannot be fulfilled.

Much of my statement has been concerned with details. I should like to conclude, however, by referring to the comments, which both Mr. Owen and Dr. Keenleyside have made, that we cannot in considering a mass of detail allow ourselves to forget the human values involved in the United Nations programmes for technical assistance. If my delegation concentrates more on specific problems than on the human values of the programme we do so because we believe these human values are universally recognized and supported. The Canadian Governments' strong support for the United Nations programmes of technical assistance makes us all the more anxious to ensure that the programmes develop as effectively as possible.

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STATEMENT ON UNEF

Statement on the resolution on the continuance and financing of the United Nations Emergency Force, by Mr. Sidney E. Smith, Secretary of State for External Affairs for Canada, and Chairman of the Canadian Delegation in the Plenary Meeting of the General Assembly on November 22, 1957.

Mr. President,

The representatives present at this meeting of the General Assembly need hardly be reminded that, slightly more than a year ago, the Assembly met in emergency session in the face of a dangerous situation which had arisen in the Middle East. For reasons with which we are all familiar, it was --and I emphasize this--it was the Assembly, in which all Member Governments are represented, which bore the brunt of that crisis, that situation which had the gravest implications for the peace of the area and, indeed, of the whole world. Our meeting at this time, however, is not to dwell upon the events of the past but to consider the consequences of one of the important steps which the Assembly took last year, namely, the establishment of the United Nations Emergency Force. That was a decision in which all of us participated.

Since the dark days of November 1956, a great deal has been said and written about the role of UNEF in the Middle East. Members of this Assembly may not then have been wholly in agreement on the principles which should govern the presence and functioning of that Force. But what we are now agreed on, I believe, is that UNEF has made a valuable contribution to the maintenance of quiet and order in the area of its deployment. This, in turn, has done much to allay the anxiety, the fear and the frustration which had produced international tension there. In the introduction to his last annual report to the General Assembly, the Secretary-General has made thoughtful and persuasive comment on the ways in which the Force has continued to serve the cause of peace in the Middle East, and he points out that it has played a pioneering role which has been accompanied by many difficulties.

In the admirable report (A/369), dated 9 October 1957, which the Secretary-General has made, he discusses in detail the development of UNEF. I could not possibly improve on what the report states about organizational and operational matters and about the role and functioning of the Force. I wish only to add my voice to the other expressions of warm appreciation which we have heard from time to time about the Secretary-General and his staff--those men and women who have worked so tirelessly and effectively for the success of the UNEF experiment. It is, of course, a source of satisfaction to Canada that the Commanding Officer of the Force has been Major General Burns--a Canadian.

At the same time, I pay equally warm tribute to those Governments which, in one way or another, have made a contribution to this work of practical peace-making. I have in mind the participating Governments which, with Canada, have provided contingents to UNEF; the Governments which, without charge, have furnished services, facilities and supplies; the Governments which have made voluntary contributions and special assistance available in order to meet the problems of financing the Force; and also those Governments which offered contingents in the early days of UNEF when the broad response did much to encourage those whose responsibility it was to organize the Force. All those Governments warrant congratulations for their support of the United Nations at that time of great trial--a time which perhaps provided a decisive test of the vitality of this Organization. And this rallying round of Member States, representing various shades of opinion in this Assembly, is inspiring evidence that the United Nations ideal can be given practical expression.

For, in a sense, the creation of the UNEF has been a practical application of the foremost among the purposes and principles enunciated in Article I of our Charter. In establishing UNEF, the United Nations took an effective and collective step towards the prevention and removal of a threat to peace. The collectivity of this action is symbolized in the composition of the Force itself and in the offers and contributions made by other Governments to assist in bringing UNEF into being.

In this context, it is appropriate to mention the helpful attitude which the Government of Egypt has adopted toward the presence and functioning of UNEF in territory under Egyptian control.

The Prime Minister of Canada has already expressed in this Assembly hall Canada's willingness to continue its contribution to UNEF as long as this is considered necessary by the United Nations. We are fully aware of those reasons why the duration or extent of UNEF's operation cannot be defined at this time. I can see no particular advantage in attempting that definition now. Nevertheless, we of Canada

deeply hope that the Members of this Assembly share our view that UNEF should continue to have the widest support of the United Nations as long as it appears to be making a useful contribution to peace in the area.

We have the impression that these views are widely shared in this Assembly. If this is so, it follows that the Assembly should give careful consideration to the consequences of continuing the Force in being. There is no doubt that the financial consequences are of concern to all of us here. The Secretary-General has described them in detail in Part III of his report. This shows that to maintain a force of 6,000 United Nations soldiers, performing necessary duties in the service of peace in the Middle East, involves a considerable expenditure. I have no desire to underestimate the actual cost, but I ask Members and I ask this very, very seriously to relate those financial costs to the political benefits which UNEF has helped to achieve, and to the possible dangers which UNEF has helped to avert. How do we measure the value of decreased tension between nations, the diminishing of fear and anxiety among peoples, and the strengthening of hope for further progress towards peace? It is surely these intangible factors which must be placed in the balance sheet--and which should be given due weight--when we look at the figures for the costs of UNEF.

To meet those costs, it seems to me inevitable that the Assembly should accept and firmly support the principle of common assessment, based on the regular scale of assessments for United Nations Members. The Secretary-General has placed the issue squarely before us in paragraph 106 of his report. He has stressed the grave risks inherent in an inadequate and insecure basis for financing UNEF. Clearly, to base the operations of the Force on a series of appeals for voluntary contributions would be quite inadequate and wholly unworthy of this Organization and the cause which it is serving. The validity of this conclusion has been demonstrated beyond doubt, and I say this without detracting from my previous expression of gratitude for the voluntary contributions and special assistance which some Members have so generously provided. I have no hesitation in supporting the assertion in the Secretary-General's report that:

"It is essential that this vital United Nations undertaking be assured of the same degree of certainty of financial support as afforded to other United Nations activities which have as their purpose the maintenance of security and peace." (A/3694, para. 106).

The Canadian view, which has been consistently expressed during the Assembly debates on this subject, is that the financing of UNEF and similar United Nations endeavours can be assured only if the principle of assessment, of collective sharing in the collective effort of peace, is followed.

It is with these views in mind that the Canadian Delegation has been consulting with a number of other delegations about the course of action which the Assembly should adopt at this time. We and others have reached certain conclusions which are embodied in the draft resolution (A/L.235/Add.1) now before us. It has been suggested that I should introduce this draft resolution formally to the Assembly. I consider it an honour and a privilege to do so, but I approach the task with a sense of humility, because I am conscious of the fact that I am acting on behalf of a large number of delegations whose names appear on the draft resolution and who represent most of the opinions held in this Assembly. Indeed, I earnestly hope that, in introducing this resolution, I am reflecting the views of the great majority of Members here. I say this because of my abiding conviction that UNEF is serving all of us in the Middle East and serving us well.

The draft resolution is a straightforward document. The preamble begins by recalling the earlier resolutions on UNEF. These resolutions, of course, remain operative and are in no way abrogated by the draft which we are considering today and which we should regard as complementary to the earlier resolutions.

The second paragraph of the preamble notes with appreciation the report which the Secretary-General has placed before us. It also recognizes the Assembly's wisdom in appointing an Advisory Committee on UNEF composed of representatives of certain Member Governments.

The third preambular paragraph acknowledges that UNEF has contributed and is contributing to the maintenance of quiet in the area.

In the operative paragraphs, following an expression of appreciation to those who have rendered assistance to the Force, three main decisions are involved. The first is the approval of the principles and proposals concerning the allocation of costs as between the United Nations and the Governments which have provided contingents for UNEF. These are set forth mainly in paragraphs 86, 88 and 91 of the Secretary-General's report. The Secretary-General would be authorized to enter into the agreements for the reimbursements of appropriate extra and extraordinary costs to the Members contributing troops. This provision is consistent with earlier resolutions concerning the allocation of costs and it is most important by reason of its implications for participating Governments, which have made a considerable effort to give the Assembly's decisions on UNEF effective application. Such voluntary participation in this and similar activities of the United Nations should be encouraged.

Secondly, the Secretary-General would be authorized by the Assembly to expend the additional amounts necessary to meet the costs during the period ending 31 December, 1957. These costs are set forth in Part III of the Secretary-General's report and will be given detailed examination by the Administrative and Budgetary Committee following the normal practice of the United Nations. The same procedure would be adopted regarding the cost estimates for the future operations of the Force beyond 31 December, 1957. For that period the Secretary-General would be authorized to expend, as necessary --and I emphasize "as necessary"--an amount not exceeding \$25 million. This figure could reasonably be expected to cover the costs of maintaining the Force on its present basis until the next session of the Assembly. In this regard, the words "as necessary" have special significance and I call the attention of the Assembly to them.

The third main decision contemplated in the draft resolution deals with the method of financing the Force. As I have emphasized in the earlier part of my statement, the basic principle should be that the expenses would be borne by the Member States in accordance with the annual scale of assessments. This principle is embodied in paragraph 4 of the draft resolution. The phrase "such other resources as may have become available" is not without importance, however, and should be read in conjunction with the note which the Secretary-General circulated on 20 November (A/3745). It will be seen that the liabilities--for the period ending 31 December, 1957 have been substantially reduced owing to the contributions of special assistance--and in this connection our warm appreciation is extended especially to the Government of the United States. We know that further assistance has been offered and, of course, other voluntary contributions in the future are not excluded.

Finally, the draft resolution requests the Administrative and Budgetary Committee, with the assistance of the Advisory Committee on Administrative and Budgetary Questions, to examine, in the light of the present resolution, the cost estimates for maintaining the Force--that is, those contained in Part III of the Secretary-General's report. These budgetary bodies are requested to make such recommendations as they consider appropriate concerning the expenditures authorized by the resolution. This request would enable the General Assembly--and here I fall in line with your observation, Mr. President--to avoid discussion of details and to concentrate on the discussion of general principles.

The draft resolution embodies, we think, the various measures required to meet the needs of UNEF. In particular, it deals with the administrative decisions listed in paragraph 111 of the Secretary-General's report. But the draft resolution does more than that; it establishes a sound basis for the continuing operation of UNEF and, together with the various reports by the Secretary-General, lays the groundwork for the

analysis and study of the experience of UNEF which, the Secretary-General has suggested, should be preserved for the future.

The draft resolution is, moreover, a comprehensive document and one which must be viewed in its entirety. Any one paragraph would be virtually meaningless without the others. We believe that this integral character of the proposal should be retained.

I look forward to hearing the views of other delegations on this matter which has important implications for all of us as States Members of the United Nations and for the Organization itself. In introducing this draft resolution, I urge the Assembly to weigh carefully the measures which have been proposed. Our deliberations at this time have a bearing on whether we can demonstrate to the peoples of the world that the United Nations has the determination and strength to put into practice the high principles and purposes to which we all subscribed in acceding to the Charter.

I conclude by expressing my confidence that the Assembly's response now, as its response last year in circumstances of greater stress, anxiety and danger, will serve to give real meaning to those lofty ideals and will, in practical terms, enable UNEF to fulfill the responsibilities placed upon it by the General Assembly.

S/C

STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
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ASPECTS OF CANADIAN FOREIGN POLICY

Excerpts from a statement by Mr. Sidney E. Smith,
Secretary of State for External Affairs, in the
House of Commons on November 26, 1957.

I know the people of this country are indeed interested in the foreign policy of Canada.... and I also know that other governments are equally interested in the actions and policies of this Government. We have been considering in this House, and we shall be considering in this House, matters of great moment which might be described as domestic or national. I am not discounting in any measure the importance and significance of these matters when I observe that the solution of the grave problems which confront the nations of the world in 1957 has a practical bearing on the health and happiness of Canadians and on the welfare and progress of Canada.

We cannot expect in this field of external affairs to find ready made solutions. Only the eradication of fear and the establishment of mutual confidence among the nations will provide the basic solution, and the government will endeavour in every way to bring this about. Second, to bring about this state of affairs we shall need steadiness, strength and patience.

In view of the fact that today I am making my first statement on foreign policy, and having regard to the fact that there are many new members of the House, freshmen like myself, I propose to outline in somewhat general terms some of the relations and relationships of Canada with other nations. In common with Canadians of all political persuasions I take pride in the advancement of our country to a position of respect and influence in the international field. We are regarded as a leading country of middle-status in the world. Our role is an important one in the Commonwealth, in the affairs of the United Nations, in the North Atlantic Treaty Organization and in all the other various organizations to which Canada adheres. That is a position which Canada has attained by reason of its growing strength, its sense of responsibility and its willingness to accept responsibility; and I believe it is also due to the exercise by Canadians of a certain wisdom and maturity of judgment.

Natural resources and the development of those resources which Canada has achieved have helped to give us a prestige out of all proportion to the size of our population. Our sacrifices in two world wars, and then in recent years in securing the peace in Korea, the Middle East and Indochina, have added to that prestige; our contributions, of which I will speak later, toward raising the standard of living in various parts of the world, and our contributions toward the alleviation of want and suffering have, too, enabled Canada to speak with confidence and authority.

Moreover, I think we bring to the consideration of the solution of international problems peculiar qualities which Canadians possess. We are the heirs of a European civilization, and I would think, having regard to the development of our national scene, that we have a national, or perhaps I should say a natural, tendency and gift for compromise. We are possessed of an idealism which has been somewhat modified by the skepticism which Canadians must have when they realize that the solution of any problem cannot come about by miracles but only as the result of persistent and hard endeavour.

.... It is with these encouraging yet challenging thoughts in mind that I take up my new office as Secretary of State for External Affairs. As I enter this field I assure this House that, having regard to the firm foundations which have been laid in respect of our foreign affairs by successive governments, I will endeavour to build on these foundations and, as a member of this Government under the leadership of the Prime Minister, I will do my best to help in building something distinctive and valuable upon these foundations.

In this context it is clear that Canada must seek to understand the aspirations of other countries; Canada must endeavour to apprehend the motives of other nations, whether they be ill or good, and work closely with friendly nations. But all the while Canadians must think for themselves, and Canada's foreign policy should not be merely a pale reflection of the views of other countries.

UNITED NATIONS

My first assignment after I became a member of the Government was to go to the United Nations. I think that was an excellent introduction for me because it enabled me to study at first hand, at the beginning of my political and diplomatic career, the machinery, the aspirations and the objectives of that great Organization.

There was in the United Nations, I found, a curiosity with respect to the attitude of the new government in Canada toward the Organization, and I can best describe the views of this Government by repeating to this House the words of the Prime Minister when he spoke to the General Assembly on

September 3, 1957. He stated: "We stand on this question now where Canada has always stood since April 1945. And I emphasize this, with the support of the party which is now in power. So far as Canada is concerned, support of the United Nations is a cornerstone of its foreign policy. We believe that the United Nations will grow stronger because it represents the inevitable struggle of countries to find order in their relationships, and the deep longing of mankind to strive for and attain peace and justice." That is the stand of this country toward the United Nations.

Our confidence in the United Nations, Mr. Speaker, is not blind. It is, we know, an imperfect instrument.... The United Nations is not, as the Secretary-General stated in his last annual report, a supra-state, and how can we expect the United Nations to be better than those who constitute it? The United Nations is, indeed, a microcosm of an imperfect world, a world now in the shadow of nuclear weapons. However, the United Nations has had its successes, and I think it warrants the designation or description that it is the work shop of world diplomacy.

.... Amidst all the portents and dark threats of 1957, I suggest to you, Sir, that the United Nations is the greatest hope for peace. If the United Nations were not in existence I do think mankind would have to invent something like it in order to afford a forum in which 82 nations could sit down together and discuss face to face their differences and their agreements.

It is a gratifying yet a sobering thought for us that Canada will take its seat for the second time on the Security Council. That will happen on January 1, 1958.

I was particularly pleased that my first task at the United Nations was to endorse the admission of Malaya and to welcome that country as the newest member state of that Organization. The United Nations has now become a more universal body, and many of its new members have risen from the status of colony to that of nationhood. It afforded me even greater pleasure to say on that occasion that I saluted Great Britain, because here was another case that we in Canada know so well of Great Britain encouraging a colony to become a nation. I could not refrain from observing that this had been the historic, the outstanding record of Great Britain, while the U.S.S.R. reversed that process of developing colonies into nations by reducing nations to colonies.

Canada has worked and will continue to work with these new members of the United Nations, and as far as my experience is concerned it has been a joy to co-operate with them.

DISARMAMENT

Among the topics which were discussed at the United Nations this year was the question of disarmament, which was perhaps the major topic. I and members of the Canadian Delegation at the United Nations had some reason to be not entirely satisfied about the consideration in the twelfth session of the United Nations of that topic which means so much to mankind. The 24 powers did put forward a resolution that was drafted by the Subcommittee on Disarmament on August 29, 1957, and that resolution did receive endorsement by the General Assembly. In fact the U.S.S.R. was not able to line up any votes in opposition to that resolution except those of its own satellites. It is true that there were some who abstained from voting on that 24-power resolution, but I judged that in many cases the abstention was due not to any opposition to the resolution but because they really thought any resolution put forward and adopted by the United Nations would be ineffective, as the U.S.S.R. said it would not co-operate in further negotiations under that resolution....

After we had obtained for that resolution approval from the General Assembly which was unanimous but with abstentions, the U.S.S.R. said it would not participate in the discussions of the Disarmament Commission or of the Subcommittee. We were greatly disappointed to hear that, because in getting that resolution so admirably supported in the United Nations we felt we had a vote ... that would carry some weight with the U.S.S.R. because it reflected a world-wide opinion that they should consider the rejection of the Western proposals.

We tried to make it clear to the United Nations that the resolution that was so widely supported in the General Assembly was not necessarily in our opinion the only means whereby disarmament could be promoted. On October 23, 1957, I spoke in the Political Committee and asked our Russian friends to look at the resolution; not to regard it as coming from us in a take it or leave it manner, but to accept it on our assurance that it would be a basis for further negotiations. ... After the U.S.S.R. stated definitely that it would not negotiate any further, the Soviet Delegation did put forward the suggestion that the Disarmament Commission should be made up of the 82 member nations of the United Nations, and indeed that the complexion of the General Assembly itself should be reflected in the new Disarmament Commission.

We all felt that this was a manifestly impractical proposition, and we were bound to conclude that it was merely a propaganda move. It would be entirely unwieldy for 82 nations to sit down and discuss the problem in one meeting or series of meetings on disarmament. That was, however, put to the General Assembly by the U.S.S.R. and it was rejected by the General Assembly.

Even after that Canada, taking the lead in some cases and in other cases co-operating with other friendly powers, tried again to find a well-balanced and reasonable group by way of a suggestion for the composition of the Disarmament Commission that would satisfy the U.S.S.R. Finally there was put before the General Assembly a proposal for the extension and enlargement of the Disarmament Commission to include the members of the Security Council, 11, and Canada, and in addition 13 other countries. That was adopted by the General Assembly to the extent that three-quarters of the governments of every group in the United Nations endorsed it. That proved unacceptable to the U.S.S.R., although at one point in our negotiations we did hope that it might be acceptable to them.

Now that the enlarged Disarmament Commission has been established the U.S.S.R. says it will not participate in its discussions, and our only hope is that it will reconsider its views so we can sit down together to the end that the armament race will not be continued, because as I endeavoured to tell the Political Committee of the United Nations - and I have no desire to indulge in scare headlines here today - the issue is in effect and in essence human survival.

In all these arguments in the Committee and in the General Assembly the U.S.S.R. came back time and time again to its proposal. The first part of its counter-proposal is that the nations of the world who are members of the UN should resolve to ban the use of nuclear weapons. Since I have come to Ottawa I have had letters from many persons throughout Canada which said, "What a laudable proposal that is from the U.S.S.R.".

Now, Sir, one must confess it has an immediate attraction and appeal. "Ban the use of nuclear weapons". I ask you, Sir, and I ask this House why, then, can we not accept this laudable proposal? The answer, the grim answer, is that a promise not to use nuclear weapons is good only until one nation decides to break it. There must be, for our security, a measure of inspection that will ensure that the undertakings in that regard are being carried out. Disarmament cannot be achieved by the stroke of a pen or the mere passing of a resolution....

It is evident that the advances or discoveries in the field of science and technology pose a new and urgent problem in international politics. We cannot solve that problem merely by talking about our endeavours of yesteryear. New scientific weapons and scientific discoveries have provided an urgency about the solution of those problems. Canada, I can assure this house, will endeavour in every way possible to advance further discussion and negotiations with respect to disarmament. For 11 years representatives of Canada have carried on those endeavours, and we hope we can keep the Canadian flag waving in respect of a matter of such vital concern to the human race, at least to make suggestions in negotiating a first-stage agreement with the U.S.S.R.

SYRIAN SITUATION

Apart from disarmament there was consideration of political crises. One had to do particularly with Syria. The Syrians lodged a resolution with the Secretary-General that would provide for a discussion of the threat to their security on the Syrian-Turkish border. Several efforts were made toward negotiation in that regard.... Our approach to that problem was that any nation such as Syria should have the opportunity to bring before the General Assembly what it thought was a threat to its security. That did not in any way indicate that we had in mind that Turkey, as a responsible member of NATO, would act in an irresponsible way. But we endeavoured to provide every possible way of finding out the facts.

Hon. members may recall that King Saud of Saudi Arabia offered to intervene and mediate, and there were suggestions that the Security Council might come into the picture. In association with Japan, Denmark, Norway, Paraguay, Peru and Spain we put forward a resolution that would call attention to the availability of the Secretary-General for consultation between Syria and Turkey, or even the availability of the Secretary-General to carry on an investigation; and then rather dramatically Syria and Turkey decided that the debate should be terminated.

I said it was dramatic, but it was not very spectacular. I do not think the press gave it enough publicity. It really was a product of what the Secretary-General of the United Nations has said of the United Nations "diplomacy of reconciliation". There in the General Assembly these charges and counter-charges were exchanged, and it was undoubtedly felt by the U.S.S.R. that it was losing the battle of polemics and that its propaganda concepts and objectives were being turned against it. That was indeed a victory for the United Nations and for the participation of the nations of the world in that debate in the General Assembly.

It would be an illusion, Mr. Speaker, to think that the underlying causes of tension in that area, and the fever and the rise in tempers are gone. We would all hope that the diplomacy, the reconciliation which was provided by the United Nations could be again brought to bear....

UNEF

I now desire to say something about the United Nations Emergency Force in the Middle East.... I can say that the record of UNEF, the United Nations Emergency Force, has been one of great satisfaction not only to the UN but to the world. There have been on the border few incidents in recent months. Indeed, I was talking to Major General Burns and he told me that in the last few weeks there have not been any incidents on that border. Undoubtedly UNEF contributed at least to

arrest the movement that might have resulted in war, and we in Canada must be proud of our participation in that force. One-fifth of the Force come from Canada, 1,200 out of 6,000. We must take a particular pride in the Commander in Chief of the Force, Major General E.L.M. Burns. On all sides he was praised by members of the General Assembly in the debate that took place last Friday morning. I would say, in the words of our Prime Minister, who spoke to the General Assembly in September, that as long as the United Nations considers the presence of the UNEF in that particular area as necessary, Canada will continue to support by participating in its composition.

The Secretary-General in his recent annual report having mentioned the temporary nature of the Force, with the limited mandate in a particular area, went on to say that the value of such a force in such situations has been fully demonstrated. I would certainly subscribe to that view, as all the delegations from the West would. In that report the Secretary-General suggested that an agreed stand-by plan for a United Nations peace force which could be activated on short notice might be given consideration. Small wars, small conflicts, expand into great wars, and if agreement could be reached on the establishment of such a force I would think it would be a most significant step in making the United Nations a more effective organization for the maintenance of peace.

The establishment of the United Nations Emergency Force as an experiment gave rise to certain consequences, and one had to do with money. The estimated cost of the Force during the period from November 1956 to December 31, 1957 is in the region of \$30 million. Against this sum the total amount received or firmly pledged so far is some \$24 million. That includes the recent offer from the United States of \$12 million and the recent offer from the United Kingdom of \$1 million. It now appears that there will be a shortfall for the period ending December 31, 1957, of approximately \$3 million to \$4 million. It is estimated that in the year 1958 the Force will cost \$25 million.

I have used these figures, and I do not regard them as large or high when you put into the balance the great benefit that has followed the establishment and deployment of that Force on that border, the release of tension thereby preventing further expansion of the conflict in the area. On Friday last I introduced in the General Assembly a resolution for which 20 other countries offered their co-sponsorship. That resolution reaffirmed the principle that the responsibility for additional funds required in 1958 for the maintenance of this Force should be shared by all members of the United Nations in accordance with the scale of assessment that is invoked for the normal United Nations budget. That resolution was adopted despite the opposition of the U.S.S.R. bloc, and was adopted by a larger majority than we expected, with the result that I can say to members of the House that the financing of UNEF is now assured.

PALESTINIAN REFUGEES

Other Middle East issues continue to be the centre of attention at the United Nations. One of them has to do with the grave plight of the Palestinian refugees, and in this context one cannot say that any real progress has been made during the past year. The United Nations Relief and Works Agency for Palestine Refugees in the Near East, to give it its full title, has continued to provide essential rations and other relief services, but shortage of funds has increasingly hampered the Agency in its effort to maintain these services or to proceed in an orderly way with the limited rehabilitation projects possible under present conditions.

I am happy to report that Canada during the past nine years has been the fourth largest non-Arab contributor to Palestine refugee relief, and in 1957 Canada was the third largest contributor. We have continued to urge other countries that they should accord greater support to UNRWA in order that there will not be a further decline in the standard of living of these unfortunate refugees. The estimates for 1957-58, at present before the House, seek approval of a Canadian contribution to UNRWA of \$750,000 to cover the 18-month period ending December 31, 1957. When the estimates for 1958-59 are brought before the next session, Parliament will be asked to approve a Canadian contribution to UNRWA of \$500,000 (for the calendar year 1958).

Before I turn from the United Nations I desire to inform the House of certain other contributions to the United Nations extra-budgetary programmes. The following amounts are included in the 1957-58 estimates at present before the House to cover Canadian contributions to these programmes of the United Nations during the calendar year 1957. In the 1958-59 estimates Parliament will be asked by the Government to approve Canadian contributions of the same amounts to cover the programmes of these organizations during the year 1958.

These are the amounts. In addition to UNRWA there is \$2 million to the United Nations Expanded Programme of Technical Assistance, \$200,000 to the United Nations Refugee Fund and \$650,000 to the United Nations Children's Emergency Fund. All these proposed contributions are on the same scale as those to which the previous Parliament gave its approval....

There are negotiations going on now at the United Nations - the Minister of Finance referred to this in the House last week - with respect to the providing of financial assistance outside of the Colombo Plan to nations not only in South-East and South Asia but throughout the world. I do not regard the negative vote (cast by the Canadian Delegation to the Economic and Social Council) against the proposal of SUNFED as indicating that the Canadian Government will not support a proposal that I hope will come out of the negotiations....

COLOMBO PLAN

If I may leave the United Nations and go to the Colombo Plan, I doubt, Mr. Speaker, whether there is any single task in the international field which Canada has undertaken that should receive greater approval and endorsement from Canadians of all walks of life and all political persuasions. No reasonable man could doubt the benefits which this type of enterprise is bringing....

Two of my colleagues in the Government have recently been in South and South-East Asia, the hon. member for Greenwood (Mr. Macdonnell) and the hon. member for St. John's West (Mr. Browne). They have returned to Ottawa, and from each of them I have heard of the unceasing struggle of the undeveloped countries in that part of the world to raise their standards of living. The hon. member for St. John's West, who attended in my place the Saigon meeting of the Consultative Committee of the Colombo Plan, can testify to the benefits that have accrued from Canada's investment in these particular projects.

These grants, hon. members of the House - and I say this from the bottom of my being - are not hand-outs. We should really think of them as helping hands. There is another feature, members of the House, about our investment in the Colombo Plan. Famine, distress and low standards of living create the seed-beds of unrest and indeed could create - and in some instances have done so - the seed-bed of war. It worries me to talk in this vein, but if anyone wants to talk about these matters in mere monetary terms, I would offer a good argument and, I think, a conclusive one that in time these countries in which we are making investments will become good customers and provide much opportunity for Canada. But I put that suggestion forward in second or third place.

As some hon. members of this House know, particularly the hon. member for Algoma East (Mr. Pearson), the Colombo Plan was a concept initiated and brought about in the Commonwealth. Here is another instance of the Commonwealth creating a nucleus which in due course produced a strengthened, forward-looking and beneficial international enterprise. In the routine aspect of carrying forward the programme under the Colombo Plan there always has had to be and there will have to be discussions with engineers, administrators and economists. Then there will have to be discussions with the countries to whom help might be offered, as to their needs. When decisions in that regard are made, Mr. Speaker, we will of course report to the House.

On November 22 in this session of Parliament the Prime Minister informed the House that the Government will seek Parliamentary approval of an appropriation for 1958-59 of \$35 million. The estimates that will be considered in a few days provide for a contribution of \$34,400,000. We are proposing an increase of \$600,000 for 1958-59.

INTERNATIONAL COMMISSIONS IN INDOCHINA

Time does not permit me to go into detail with respect to other parts of South and South-East Asia but in passing I would refer to the work of the International Commissions in Indochina. The task of the Commission in Cambodia is, in our opinion, about completed. There have been difficulties in the way of dissolving or disbanding the Commission. In Laos, where we are members of an international commission, after nearly three years of negotiations between the Royal Government and the Pathet Lao, an agreement has finally been reached whereby the Pathet Lao, which has been controlling one part of Laos, will be integrated into the national community. I seize this opportunity to say that we sympathize with the desire of the Laotian people to achieve a political settlement within the terms of the Geneva Agreements of 1954. We hope that this latest development will result in a strong Laos and a continuation of the democratic approach that has been followed by the Royal Government.

Viet-Nam remains divided. It is in this area where the sort of international supervision that is provided by the International Commissions has been most important for the maintenance of peace.

In relation to South and South-East Asia I would reiterate what I have endeavoured to say, namely that the recent visits of Ministers of the Government to that part of the world should be taken as indicative of our interest in the area, our close interest in Commonwealth ties, our desire to help the countries of the area to improve their standard of living and of our willingness to do our part in preserving peace.

THE COMMONWEALTH

A few moments ago I mentioned the Commonwealth. May I interpolate here - and this is a personal note - that after I reached the United Nations in the middle of September I was asked to attend a meeting of the Commonwealth group. It was not a bloc but a group. I am sure that no one else in the room could appreciate how thrilled I was, indeed how excited I was, at that first meeting. Here sitting around a horse-shoe table were representatives of ten independent nations of the British Commonwealth, men and women coming from various climes, of various religions and cultures. There they sat. It seemed to me - and this is the basis of my thrill and of my excitement - that there was before me a brilliant page of British history, the bringing of colonies to nationhood. There was no treaty binding them together. Indeed I would say, for the want of a better word, that there was something mystical in their adherence to common ideals of the dignity of the individual, of justice, fairness and fair play.

LATIN AMERICA

I now come closer to home, Mr. Speaker, and I desire for a moment or two to mention our neighbours in this hemisphere. I would point out first our relationship to the republics of Latin America. Some of my first conversations at the United Nations in September were with representatives of the republics of Latin America. Since I have been in Ottawa I am gradually beginning to get to know better the Ambassadors from Latin America. I know that in the Assembly and the Councils of the United Nations our Canadian representatives over the years have acquired a deep appreciation of the strength, the wisdom and the vision which representatives of the Latin republics have brought to the discussions, deliberations and decisions of that body.

I refer, just by way of example, to only two. Colombia and Brazil made contributions in men and equipment to UNEF. Colombia and Brazil have each served three times on the Security Council. I think of Brazil today, which is the largest Latin nation in the world, with a population larger than that of Spain or Italy or France, with enormous natural resources scarcely tapped, a country of great promise. We have traded with those countries over many years, indeed for a century, I am informed. I hope that the substantial volume of our two-way trade with the Latin American nations today is only a stage on the way to greater expansion.

But it is only in the post-war years since 1945 that there has been an increased exchange of personnel, visitors and businessmen between Canada and the Latin American republics. Attending our colleges and universities are a considerable number of students who have come to us from Latin America. Visitors and tourists are increasing. Commercial aviation has been a significant factor in helping us to become better acquainted with the Latin American countries. The Mexican air line operates a regular service between Mexico City and Windsor, Ontario. Our own Canadian Pacific Air Lines now ranks as a major air service in the Americas. Those 20 independent nations are playing an increasing part in deliberations that are designed for the solution of international problems - and I express the hope that the cordial relations which now exist with those 20 nations will be enhanced and increased.

UNITED STATES

I come now, Mr. Speaker, to our closest neighbour, the United States. A kindly providence has willed the geographical location of that country with respect to Canada. With the United States we share a continent and a common heritage from many lands beyond the seas, moulded around political philosophies which have become, in some measure perhaps, the central core of the institutions of both our countries.

These philosophies, coming from our twin motherlands, Great Britain and France, have been shared by us as comrades in arms during two world wars. Again, when we fought with the Americans under the flag of the United Nations in Korea, we Canadians knew the value of our American friends.

We have been in close association with our neighbour in the United Nations and we also work closely with them in NATO. Particularly, those of us who remember the years before the First World War welcome their assumption of world leadership during the last two decades. I must however observe that sometimes in pursuit of common objectives the means chosen by the United States to effect these ends may have side effects which are injurious to Canada and which in many instances are not made clear to the American people and of which therefore they are not properly aware.

When we in Canada consider that such effects may stem from any action or inaction on the part of the United States and may affect what we deem to be the best and just interests of our country and our people we must, without petulance or sophomoric sensitivity, seek from our United States neighbours the consideration of those effects. There is nothing wrong or improper with conscientiously facing the problems or difficulties separating true friends. This is also true in the field of international relations. What to my mind would be wrong and improper would be for us to dig and dig for slights and to magnify oversights. It would be equally improper for the two governments to allow old and burning problems to fester.... and to continue unresolved. It is in that way that misunderstandings grow and fair-mindedness of the people and their governments may be warped. There have been problems between our countries throughout our history. The territorial part which we know as Canada did not exist in the early days but those who have read the biography of Sir John A. Macdonald by Professor Creighton will appreciate what I have been saying.

From those early years there have been problems between us and they have continued, indeed, down to our present difficulties with respect to the United States wheat surplus disposal programmes. I declare, Mr. Speaker, that considerate frankness will not endanger true friendship between our countries. Above all, it is of paramount importance to international peace that Canada and the United States, unequal as they are with respect to military and economic force but equal in their common respect for the dignity of the individual, should set a continued example to the whole world of how friendly nations can live together.

May I state as simply as I can how I see the development of our relations with the United States. We must be friends; friendship however means something more than the absence of enmity. Friendship really means the existence of positive and effective interest on the part of each nation in the welfare of the other.

In recent weeks.... we have been forced to give closer examination to our collective security arrangements by reason of the success of the U.S.S.R. in the launching of the inter-continental ballistic missile and in the launching of two earth satellites. It has been a shock but it has had a salutary effect in terms of the re-appraisal of our common defence.

NATO

We in the democracies are apt to relax until pressure is brought upon us by the course of events; then we jump into action.... In this age of infinite risk we should have some concern about this characteristic tendency to relax in the absence of pressure. That attitude of relaxation when there is no pressure on us may, and in this case probably has, tempted fate. However, we have now been dramatically reminded of the terrible menace of nuclear warfare and as a result all members of NATO recognize they are faced with the necessity of making far-reaching decisions in the military field while, at the same time, having to cope with political problems of exceptional complexity.... I wish to say a word about the military and political problems because I think the success of NATO in rising to the occasion will depend largely on how it can merge its military and its political objectives.

Despite Soviet accusations that NATO is an aggressor and was designed for aggression, the sole military purpose of NATO - this has been declaimed over and over again and we have no reason to doubt it - is to deter aggression by providing firm evidence that aggressors would be quickly and successfully met if they should attack any member of the Alliance. In NATO there is a formidable capability - as General Norstad stated in Ottawa 10 days ago - to deter aggression. In this connection he also said that this capability is not altered or modified by the possession by any other power of a nuclear intercontinental ballistic missile.

This is a field, I am aware, where theories abound and often conflict. I do not intend to do more at this point than to state the Government's position, indeed its conviction, that the value of NATO as a deterrent remains intact and that it is incumbent upon us - we who have banded together in NATO - to exploit the opportunities which exist for closer co-operation in the fields of military, economic and scientific affairs.

We must seek for co-operation by increased exchange of scientific and technical information and from the stimulation of scientific education and research in the NATO countries. We should be able to find that further co-operation is possible in the economic production of modern weapons.

Military problems will loom large on the agenda of the NATO meeting which is to be held next month in Paris but, in the minds of many governments and of many peoples, that meeting will be judged just as much by its achievement in the non-military field as in the military field. With the challenge of communism all the time advancing, NATO must move with the times in the field of politics.

It is essential that we of the NATO alliance should intensify and develop our military contribution. But that is not enough. It is essential that we should work together to improve our machinery for consultation and promote the intimacy of our intramural understanding. These obligations are with us and they must be observed, but they are limited. To confine ourselves in NATO to attaining them alone would be to cultivate our own interdependence as members of NATO without realizing that the health and strength of the Alliance depends on its relations with the world outside. There is, in other words, a global interdependence in this age of scientific discovery and nationalist ferment, and it is important for us and important for NATO not to underestimate that need.

No one should think of letting down his guard at the present time; no prudent man can deny the need for defence insurance. What I am suggesting is that the security organization will be successful or unsuccessful according to the degree of intelligence with which its political policies are formulated and pursued.

To give an example, I turn for a moment to the problem of (Soviet activity in) uncommitted neutral states. This is a serious and growing danger. How are they going? Are they going toward the Russians or toward the West? This cannot be ignored by NATO members, and yet NATO as such is perhaps not well equipped to deal with such a problem.... The Asian and African nations which are uncommitted have no more desire than we have to see greater domination of other countries by the U.S.S.R. But, having regard to the historic relations they have had with the West and having regard to their desire to flex their muscles as new and independent nations, they might think that the steps which are being taken at NATO are designed for our security, and of course they are, and they would not necessarily adopt them wholeheartedly as their measures.

We must recognize, too, that nationalism is not necessarily synonymous with communism in young countries, but we have to realize also that nationalism has been exploited by communism. There are real risks in dealing with these uncommitted nations. Their peoples may succumb to the blandishments and to the plausible and insidious appeal of Soviet tactics, but we must respect them as independent nations. We must work with them and assure them that we regard them as independent nations, and try to establish a mature and wise

relationship with them. Or, to put it another way, unless we assure them by word and deed that our participation in NATO is complementary to and not in conflict with our membership in the Commonwealth and in the United Nations we may not be able to make much appeal to them.

Canada is a middle power with roots in the three associations, in NATO, in the Commonwealth and in the United Nations. I think Canada has a special reason for avoiding an absolutely rigid dependence on any one of these organizations as the sole instrument or channel of its foreign policy.

I come now to my final point in relation to the NATO meeting projected for Paris in December. The House will not expect me - and even if it did I could not do this - to predict the specific terms of the agenda or the likely outcome of the deliberations. I am more concerned to suggest to this House the general philosophy which I think should govern our approach to that meeting. We must.... start from the premise that new and intensified efforts at military and scientific co-operation are essential, and we must be prepared to do our part in developing that co-operation. We must, in the second place, in view of the unhappy events of the last two or three weeks, renew our determination to consult frankly on issues which have caused, or are likely to cause, divisions in NATO. And, thirdly, to return to the point I was trying to make a few moments ago, we must assure the world outside NATO that no one need fear aggression from us; that far from regarding the forthcoming meeting as an end in itself, the whole world, including ourselves, regards it as a symbol of our determination to protect ourselves and, no less important, of our genuine and sustained interest in finding ultimate peaceful solutions to the issues that divide us from the communist world.

I have endeavoured to put before this House a diagram of Canada's relations with other nations. Nothing that I have said should obscure our intense resolution to reduce tensions between the West and the U.S.S.R. No sane person could run the risk of shutting any promising door on the possibility of co-existence. Yet - and this is not double talk - we should not fall into a propaganda plot; we should not be lulled into complacency by empty or hollow professions such as happened after the Geneva meeting. We must keep up our defences pending the arrival of the day for which we have hoped, the arrival of the day of substantial mutual trust between the West and the East. And I should add this: we must have convincing proof that the U.S.S.R. has abandoned its policies of domination. Co-existence cannot be used as a cover for subversion on the part of the U.S.S.R. in free countries. What I have been trying to say, Sir, is that we must keep our powder dry and put the hand out.

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